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*Wilfredo V. Lapitan*  
**WILFREDO V. LAPITAN**  
 Division Clerk of Court  
 Third Division

MAY 07 2019

Republic of the Philippines  
**Supreme Court**  
 Manila

**THIRD DIVISION**

**POLO PLANTATION AGRARIAN REFORM COOPERATIVE (POPARMUCO), REPRESENTED BY SILANDO GOMEZ AND ELIAS RAMOS,** G.R. No. 189162

Petitioner,

Present:

PERALTA, J., *Chairperson*,  
 LEONEN,  
 REYES, A., JR.,  
 HERNANDO, and  
 CARANDANG,\* JJ.

-versus-

**RODOLFO T. INSON, CESO III, AS REGIONAL DIRECTOR OF THE DEPARTMENT OF AGRARIAN REFORM, REGION VII – CEBU CITY,**

Respondent.

Promulgated:

January 30, 2019

*Wilfredo V. Lapitan*

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**DECISION**

**LEONEN, J.:**

Respondent Rodolfo T. Inson (Regional Director Inson)'s cognizance of the Petition for Inclusion/Exclusion of farmer beneficiaries, and his subsequent issuance of the March 12, 2010 Order disqualifying some members of petitioner Polo Plantation Agrarian Reform Multipurpose Cooperative (POPARMUCO), were improper. Nonetheless, these acts do not constitute an indirect contempt of court.

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\* Designated additional Member per Special Order No. 2624 dated November 28, 2018.

For this Court's resolution is a Petition for Contempt<sup>1</sup> filed by POPARMUCO, a duly organized and registered cooperative of agrarian reform beneficiaries,<sup>2</sup> against Regional Director Inson of the Department of Agrarian Reform, Region VII, Cebu City.

Sometime in 2003, a 394.9020-hectare portion of the landholding<sup>3</sup> owned by Polo Coconut Plantation, Inc. (Polo Coconut) in Polo, Tanjay, Negros Oriental was placed under the coverage of the Comprehensive Agrarian Reform Program, pursuant to Republic Act No. 6657 or the Comprehensive Agrarian Reform Law.<sup>4</sup> A Notice of Coverage was sent on May 23, 2003 to Polo Coconut President Rene Espina (Espina).<sup>5</sup>

On December 11, 2003, the Department of Agrarian Reform received from the Land Bank of the Philippines a Memorandum of Valuation, indicating the amount of ₱85,491,784.60 as just compensation for 393.1327 hectares<sup>6</sup> of Polo Coconut property. A Notice of Land Valuation and Acquisition was then sent to Polo Coconut. On January 16, 2004, a Certificate of Deposit was issued to Polo Coconut for the said amount.<sup>7</sup>

After Polo Coconut failed to reply to the Notice of Land Valuation and Acquisition, the Department of Agrarian Reform conducted summary administrative proceedings to determine just compensation. In his March 31, 2004 Resolution,<sup>8</sup> Regional Adjudicator Atty. Arnold C. Arrieta (Regional Adjudicator Arrieta) of the Department of Agrarian Reform Adjudication Board (the Adjudication Board), Region VII, Cebu City affirmed the valuation offered by Land Bank of the Philippines in the amount of ₱85,491,784.60.<sup>9</sup>

Meanwhile, Polo Coconut's title was canceled in favor of the Republic of the Philippines. On January 27, 2004, a collective Certificate of Land Ownership Award, with CLOA No. 00114438, was issued. It was registered on January 30, 2004, under Transfer Certificate of Title (TCT)

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<sup>1</sup> Id. at 3–31. Filed under Rule 71, Section 3 of the Revised Rules of Court. The case is an offshoot of the case entitled *Department of Agrarian Reform v. Polo Coconut Plantation Company, Inc.*, 586 Phil. 69 (2008) [Per J. Corona, First Division].

<sup>2</sup> Id. at 5.

<sup>3</sup> Described as Lot 3478-D of Psd-30972 and covered by TCT No. T-2304. The land had a total area of 431 hectares. See *Department of Agrarian Reform v. Polo Coconut Plantation Company, Inc.*, 586 Phil. 69 (2008) [Per J. Corona, First Division].

<sup>4</sup> *Rollo*, p. 563; see also *Department of Agrarian Reform v. Polo Coconut Plantation Company, Inc.*, 586 Phil. 69, 75 (2008) [Per J. Corona, First Division].

<sup>5</sup> *Rollo*, p. 346.

<sup>6</sup> Id. at 516–522-A. Under the notation on the last page of TCT No. T-802, “the remaining area of 1.7693 hectares is subject for subsequent acquisition[.]”

<sup>7</sup> Id. at 9.

<sup>8</sup> Id. at 33–37. The administrative case for determination and fixing of just compensation was docketed as RARAD Case No. VII-N-1284-2004.

<sup>9</sup> Id. at 36.

No. T-802,<sup>10</sup> in favor of POPARMUCO members whom the Department of Agrarian Reform identified as agrarian reform beneficiaries.<sup>11</sup>

Subsequently, the Provincial Agrarian Reform Officer of Negros Oriental, Stephen Leonidas, sent Espina a letter dated July 16, 2004, informing him of the Department of Agrarian Reform's intention to proceed with the relocation survey of the property.<sup>12</sup> Polo Coconut moved for the suspension of the survey, but Regional Adjudicator Arrieta denied the Motion for lack of jurisdiction.<sup>13</sup>

Polo Coconut filed before the Court of Appeals a Petition for Certiorari questioning the propriety of subjecting its property to the Comprehensive Agrarian Reform Program. It contended that the City of Tanjay had already reclassified the area into a mixed residential, commercial, and industrial land. It also assailed the eligibility of the identified agrarian reform beneficiaries.<sup>14</sup>

On February 16, 2005, the Court of Appeals ruled in favor of Polo Coconut. It found that the Polo Coconut property was no longer an agricultural land when the Department of Agrarian Reform placed it under

<sup>10</sup> Id. at 107–113 and 516–522.

<sup>11</sup> Id. at 24, 516, and 519–522. According to TCT No. T-802, the parcel of land situated in Barangay Polo, Tanjay, Negros Oriental with an area of 3,949,020 square meters (or 394.902 hectares) is awarded to the following beneficiaries: Martina Q. Abarca, Tolentina E. Ablay, Conchita M. Ac-Ac, Josephina S. Ac-Ac, Loreta C. Ac-Ac, Caridad Q. Aguilar, Diosdado A. Aguilar, Romulo S. Aguilar, Sherlita T. Aguilar, Wilfredo T. Alcantara, Anacleto B. Alforque, Ricardo P. Baco, Rodrigo P. Baco, Sr., Dario B. Bajana, Sr., Demetrio F. Balbuena, Gregoria R. Barba, Tomas T. Barba, Wilfredo R. Barba, Vivian F. Barot, Domingo O. Baroy, Arturo A. Borromeo, Fedencia R. Borromeo, Juanita P. Cabil, Salvador A. Cabornay, Severino M. Cabug-Os, Aurea M. Calda, Baltazar R. Cataloña, Danilo B. Curato, Arnulfo B. Dael, Democrito B. Dagodog, Genaro C. Duran, Josephine M. Ellema, Albina R. Elmaga, Enrique R. Elmaga, Edwin L. Elumir, Tomas M. Gabihan, Alberto A. Gaso, Pedro R. Gaso, Visitacion S. Gaso, Erlinda S. Gazo, Andres M. Genel, Dioscoro M. Genel, Angel R. Gomez, Lorenzo S. Gomez, Santiago T. Gomez, Silando Q. Gomez, Consorcia G. Guevarra, Fredeswinda M. Guma, Celedonia A. Guzman, Herculano B. Guzman, Jr., Cesario Q. Haroy, Sr., Eddie Q. Haroy, Romeo E. Inoferio, Genara R. Juano, Gevino B. Juano, Sr., Rogelia B. Juano, Rosalita G. Juano, Diogracias R. Larazan, Relina H. Larena, Jose G. Magalso, Inocencia G. Malco, Lucena B. Malto, Santos S. Malto, Elina T. Marimat, Ramon C. Marimat, Mercy B. Maro, Ruthelma D. Maro, Charita S. Mateo, Alma B. Medina, Abundio M. Mendez, Reynold S. Mindez, Alberto B. Mira, Gaudencia S. Mira, Crestita D. Montaña, Dionisia T. Montaña, Loreto R. Napao, Alicia P. Nillas, Esperanza M. Omatang, Hermogenes A. Omatang, Jr., Felicissima M. Oracion, Joel M. Oracion, Patrocinio T. Pao, Lourdes T. Partosa, Fabian S. Piñero, Felix R. Publico, Maribelle B. Publico, Carmelita M. Quilario, Enrique R. Quilario, Manolita M. Quilario, Miguel S. Quilario, Leonila J. Quinquilleria, Delta M. Ramirez, Rogelio S. Ramirez, Elias O. Ramos, Consolacion T. Real, Erlinda I. Regala, Dominga M. Reman, Eugenio O. Reman, Pepita R. Reman, Rodney D. Reman, Ronnie O. Reman, Sr., Dominador P. Rempojo, Eutiquio T. Rempojo, Rosita C. Rempojo, Carolina T. Reyes, Dionisia M. Reyes, Eugenia B. Reyes, Loreta D. Reyes, Mario S. Reyes, Laureano C. Rivera, Peter C. Rivera, Evangeline Q. Rodriguez, Ricardo R. Rodriguez, Patrocinio B. Sabihon, Felipe G. Saga, Valeriana R. Saga, Anesia D. Salin, Flaviano T. Salin, Jr., Wenefredo T. Salin, Virgilio B. Saloma, Estela S. Salva, George R. Salva, Teofista R. Salva, Josephine T. Sedigo, Michael P. Segismar, Sr., Joseph S. Sevilla, Marissa H. Siens, Ma. Gina M. Silva, Arturo T. Solitana, Marilyn M. Tabora, Gabino G. Temblor, Reynaldo Q. Temblor, Elsa A. Teves, Leonora D. Torco, Gregoria O. Toroy, Andres P. Torres, Hilario P. Torres, Leonardo G. Torres, Manolita T. Torres, Vicenta G. Torres, Generoso I. Torres, Leonardo F. Tubaga, Agripino P. Turco, Flordelico S. Verbo, Olympia T. Yorong, and Rosenda C. Zerna.

<sup>12</sup> Id. at 12.

<sup>13</sup> Id. at 39–41.

<sup>14</sup> Id. at 199.

the Comprehensive Agrarian Reform Program. Further, it held that the identified beneficiaries were not qualified as beneficiaries, as they were not tenants of Polo Coconut.<sup>15</sup> The Court of Appeals disposed as follows:

WHEREFORE, in view of the foregoing premises, judgment is hereby rendered by us DECLARING as NOT VALID the acts of the [Department of Agrarian Reform] of subjecting PCPCI's [Polo estate] to the coverage of the CARP, of canceling and causing the cancellation of [PCPCI's] Transfer Certificate of Title No. T-2304 covering such land, of issuing or causing the issuance of Transfer Certificate of Title No. T-36318 for this land in the name of the Republic of the Philippines by way of transfer to it, of issuing or causing the issuance of Transfer Certificate of Title No. T-802 for the said land in the names of [petitioner-beneficiaries] in the case at bench by way of award of them of such land as purported farm beneficiaries and of doing other things with the end in view of subjecting [the Polo estate] to CARP coverage, SETTING ASIDE and ENJOINING such acts and the consequence thereof, ORDERING the [petitioner-beneficiaries] to vacate the premises of [the Polo estate] if they had entered such premises, and ORDERING the respondent Register of Deeds of Negros Oriental to cancel Transfer Certificate of Title Nos. T-36318 and T-802 and to reinstate Transfer Certificate of Title No. T-2304 in the name of petitioner PCPCI.

SO ORDERED.<sup>16</sup> (Citation omitted)

In its September 3, 2008 Decision, this Court in *Department of Agrarian Reform v. Polo Coconut Plantation Company, Inc.*<sup>17</sup> reversed the Court of Appeals Decision.<sup>18</sup> It confirmed the acts of the Department of Agrarian Reform, through the Provincial Agrarian Reform Officer, and declared the issuance of TCT No. T-802 and CLOA No. 00114438 as valid. This Court also ruled that Polo Coconut did not exhaust its administrative remedies when it directly filed a Petition for Certiorari before the Court of Appeals instead of first filing a protest or opposition before the Department Secretary.<sup>19</sup> Furthermore, it held that the property was never placed beyond the scope of the Comprehensive Agrarian Reform Program, as the Department Secretary never approved the land's conversion.<sup>20</sup>

This Court further recognized the Department of Agrarian Reform as the proper authority to identify and select agrarian reform beneficiaries. Courts, it ruled, cannot substitute their judgment unless there is a clear showing of grave abuse of discretion.<sup>21</sup> This Court further held that the Department of Agrarian Reform could not be deemed to have gravely abused its discretion just because its chosen beneficiaries were not tenants of

<sup>15</sup> Id. at 565–566.

<sup>16</sup> *Department of Agrarian Reform v. Polo Coconut Plantation Company, Inc.*, 586 Phil. 69, 76–77 (2008) [Per J. Corona, First Division].

<sup>17</sup> 586 Phil. 69 (2008) [Per J. Corona, First Division].

<sup>18</sup> Id. at 83.

<sup>19</sup> Id. at 78–79.

<sup>20</sup> Id. at 79.

<sup>21</sup> Id. at 82.

Polo Coconut. Section 22 of the Comprehensive Agrarian Reform Law, it ruled, “does not limit qualified beneficiaries to tenants of the landowners.”<sup>22</sup>

The September 3, 2008 Decision became final and executory on November 26, 2008.<sup>23</sup>

On June 30, 2009, 164 alleged regular farmworkers of Polo Coconut (Alcantara, et al.) filed a Petition for Inclusion as qualified beneficiaries in TCT No. T-802/CLOA No. 00114438 and Exclusion of those named as beneficiaries therein (Petition for Inclusion/Exclusion).<sup>24</sup> They were allegedly not informed when the Department of Agrarian Reform conducted the identification and screening process for potential beneficiaries.<sup>25</sup> They contend that the Certificate of Land Ownership Award holders were not qualified beneficiaries under Section 22 of the Comprehensive Agrarian Reform Law.<sup>26</sup>

On July 1, 2009, Alcantara, et al. also filed a Petition for Immediate Issuance of a Cease and Desist Order and/or Injunction.<sup>27</sup> They averred that the Certificate of Land Ownership Award holders had attempted to occupy the property even without authority from the Department of Agrarian Reform. Moreover, the Municipal Agrarian Reform Officer of Tanjay had allegedly scheduled the relocation and subdivision of the property for the final installation of the qualified beneficiaries. Thus, they sought a Cease and Desist Order to preserve their legal rights while the administrative proceedings for the inclusion/exclusion of farmer beneficiaries were pending resolution.<sup>28</sup>

Acting on the Petition, Regional Director Inson issued a Cease and Desist Order<sup>29</sup> dated July 7, 2009, disposing as follows:

WHEREFORE, in the light of the foregoing ORDER is hereby issued:

1. DIRECTING the [Certificate of Land Ownership Award holders], their agents, representatives, or assigns, to CEASE and DESIST from entering, occupying, and/or taking possession of the property pending final determination of the inclusion-exclusion proceedings, to attain and maintain a

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<sup>22</sup> Id. at 83.

<sup>23</sup> *Rollo*, p. 13.

<sup>24</sup> Id. at 199 and 314–342. The case was docketed as DARRO ADM. Case Nos. A-0700-453-01-2009 to A-0700-453-147-2009.

<sup>25</sup> Id. at 342.

<sup>26</sup> Id.

<sup>27</sup> Id. at 63 and 199.

<sup>28</sup> Id. at 64.

<sup>29</sup> Id. at 60–67.

peaceful and orderly implementation of CARP in the subject landholding;

2. ENJOINING the PARO of Oriental Negros and the MARO of Tanjay not to undertake any relocation/subdivision survey on the subject landholding until the matter of the inclusion-exclusion of farmer beneficiaries [has been] decided, except the areas utilized as roads, residential, commercial, institutional and recreational portions, creeks and rivers, etc[.]

SO ORDERED.<sup>30</sup>

On July 20, 2009, Regional Director Inson also issued Special Order No. 070, series of 2009,<sup>31</sup> creating an independent body<sup>32</sup> to conduct a revalidation of farmers-beneficiaries in the property. The independent body conducted their interviews from August 3 to 7, 2009.<sup>33</sup>

On July 23, 2009, POPARMUCO members, who are Certificate of Land Ownership Award holders, filed a Motion to Quash the Cease and Desist Order with Motion for Reconsideration.<sup>34</sup> They alleged that they were not given prior notice of the filing of the Petition for Inclusion/Exclusion,<sup>35</sup> and that the Cease and Desist Order defied this Court's September 3, 2008 Decision.<sup>36</sup> Further, they were indeed qualified under the Comprehensive Agrarian Reform Law as their families were landless farmworkers.<sup>37</sup> Alcantara, et al. allegedly did not submit their applications during the Department of Agrarian Reform's investigation on qualified beneficiaries from 1999 to 2000.<sup>38</sup> POPARMUCO members added that as Certificate of Land Ownership Award holders, they were entitled to all ownership rights.<sup>39</sup>

On July 30, 2009,<sup>40</sup> POPARMUCO members filed before the Department of Agrarian Reform Regional Adjudication Board a Motion for

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<sup>30</sup> Id. at 65.

<sup>31</sup> Id. at 183.

<sup>32</sup> Id. Composed of the following Department of Agrarian Reform personnel, namely:

Atty. Esther Doron Nadela	-	Chairperson
SARPO Alan B. Tuidud	-	Member
LO I Rudylin B. Tuidud	-	Member
Representative (OPNS)	-	Member
Representative (MARO)	-	Member
SARPT Remedios O. Josol	-	Documentor
ADM. Asst. III Floresa T. Banglos	-	Documentor

<sup>33</sup> Id. at 200.

<sup>34</sup> Id. at 18 and 68-106.

<sup>35</sup> Id. at 71.

<sup>36</sup> Id. at 78.

<sup>37</sup> Id. at 81-82.

<sup>38</sup> Id. at 74.

<sup>39</sup> Id. at 82.

<sup>40</sup> Id. at 19.

Issuance of a Writ of Execution<sup>41</sup> dated July 14, 2009, seeking to enforce the September 3, 2008 Decision.

POPARMUCO filed before this Court a Petition for Contempt<sup>42</sup> against respondent Inson, raising the following grounds:

1. Respondent issued a Cease and Desist Order without any notice in violation of petitioner's members' constitutional right to due process.<sup>43</sup>
2. Respondent defied this Court's September 3, 2008 Decision, which ruled with finality on the qualification of petitioner's members as beneficiaries in Polo Coconut's landholding covered under TCT No. T-802/CLOA No. 00114438.<sup>44</sup>
3. Petitioner's members, as registered owners of the landholding involved, are entitled to the property as the last step in the Comprehensive Agrarian Reform Program implementation.<sup>45</sup>

Petitioner prayed that a restraining order or writ of preliminary injunction be issued, directing respondent to cease: (1) from enforcing the Cease and Desist Order in light of the Petition; and (2) from reviewing the beneficiaries, as this Court had decided with finality on the issue. It further prayed that this Court hold respondent guilty of contempt of court.<sup>46</sup>

In his Comment,<sup>47</sup> respondent, through counsel, asserts that the September 3, 2008 Decision is no legal impediment to his taking cognizance of the Petition for Inclusion/Exclusion and issuance of a Cease and Desist Order.<sup>48</sup> He adds that this Court had recognized the Department Secretary's exclusive jurisdiction over the implementation of the Comprehensive Agrarian Reform Program, including the identification and selection of its beneficiaries.<sup>49</sup> Further, his issuance of the Cease and Desist Order is authorized under Section 22, which vests in the Department of Agrarian Reform the power to reassess the qualification of identified beneficiaries, and even strip them of their rights if found to have violated agrarian laws.<sup>50</sup>

Petitioner filed a Reply,<sup>51</sup> stating the following arguments:

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<sup>41</sup> Id. at 176–180.

<sup>42</sup> Id. at 3–32.

<sup>43</sup> Id. at 434.

<sup>44</sup> Id. at 20–22.

<sup>45</sup> Id. at 23.

<sup>46</sup> Id. at 29–30.

<sup>47</sup> Id. at 197–206.

<sup>48</sup> Id. at 201.

<sup>49</sup> Id. at 202–203.

<sup>50</sup> Id. at 204.

<sup>51</sup> Id. at 222–247.

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1. Respondent's Comment should be expunged from the records for having been improperly signed by respondent's counsel;<sup>52</sup>
2. Petitioners in the Petition for Inclusion/Exclusion were under the control of the previous landowner and some of the parties in G.R. Nos. 168787 and 169271; thus, they were bound by the September 3, 2008 Decision;<sup>53</sup>
3. Section 105 of Presidential Decree No. 1529, on the indefeasibility of a title, cannot be subverted by the Department of Agrarian Reform's rules and regulations.<sup>54</sup>

During the pendency of this Petition, respondent dismissed in a September 29, 2009 Order<sup>55</sup> the Motion to Quash and upheld the validity of his Cease and Desist Order.

Thus, petitioner filed a Manifestation with Leave of Court and Supplement to the Petition for Contempt,<sup>56</sup> alleging that:

1. Despite the pendency of the Petition, respondent proceeded to conduct a reinvestigation and re-qualification of the farmer beneficiaries, "in complete defiance and lack of respect for a final and executory judgment" issued by this Court;<sup>57</sup> and
2. Respondent had proceeded to issue his March 12, 2010 Order<sup>58</sup> disqualifying some of petitioner's members.<sup>59</sup> Specifically, the March 12, 2010 Order declared, among others, that:
  - a. 109 of the petitioners in the Petition for Inclusion/Exclusion are qualified agrarian reform beneficiaries because they were connected with, or working in, the Polo Coconut property before a Notice of Coverage was served on Polo Coconut;<sup>60</sup>
  - b. 62 of the petitioners were disqualified on the grounds that they worked for Polo Coconut after the Notice of Coverage was sent, and are not yet connected with Polo Coconut during the beneficiary identification. They also did not

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<sup>52</sup> Id. at 222–225.

<sup>53</sup> Id. at 243.

<sup>54</sup> Id.

<sup>55</sup> Id. at 213–218.

<sup>56</sup> Id. at 273–304.

<sup>57</sup> Id. at 274–275.

<sup>58</sup> Id. at 314–356.

<sup>59</sup> Id. at 274.

<sup>60</sup> Id. at 346–347 and 353.



appear during the investigation, are retired from service, or those whose work do not include cultivation of the land,<sup>61</sup>

- c. 39 Certificate of Land Ownership Award holders (petitioner's members) were disqualified because they were not connected with Polo Coconut,<sup>62</sup>
- d. Six (6) Certificate of Land Ownership Award holders (petitioner's members) were disqualified as they have already migrated to other places, and thus, were disinterested to occupy and cultivate their awarded lots,<sup>63</sup> and
- e. 102 existing Certificate of Land Ownership Award holders maintained their status as qualified farmer beneficiaries.<sup>64</sup>

Respondent further directed the Provincial Agrarian Reform Officer of Oriental Negros "to facilitate the inclusion of the . . . qualified agrarian reform beneficiaries in CLOA No. 00114438 under TCT No. T-802 by filing a petition before the [Provincial Agrarian Reform Adjudicator] of Oriental Negros for the amendment/correction of the subject [Certificate of Land Ownership Award]."<sup>65</sup>

In his Comments (to the Supplemental Petition for Contempt),<sup>66</sup> respondent reiterates his allegations in his previous Comment. He further informs this Court that petitioner's members have voluntarily submitted to the Department of Agrarian Reform's jurisdiction when they filed a Motion for Reconsideration and subsequent Appeal of respondent's March 12, 2010 Order, despite the pendency of this Petition. Thus, he avers, this Petition is considered moot.<sup>67</sup>

In its Reply,<sup>68</sup> petitioner contends that respondent's Comments should be expunged for his counsel's failure to indicate his Mandatory Continuing Legal Education Number. It further avers that the adjudged agrarian reform beneficiaries have not been installed in the land despite the September 3, 2008 Decision's finality, and that the Petition has not been mooted.

In compliance with this Court's November 12, 2012 Resolution,<sup>69</sup> both parties submitted their respective Memoranda.<sup>70</sup>

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<sup>61</sup> Id. at 353–354.

<sup>62</sup> Id. at 354.

<sup>63</sup> Id.

<sup>64</sup> Id. at 355.

<sup>65</sup> Id. at 355–356.

<sup>66</sup> Id. at 360–366.

<sup>67</sup> Id. at 366.

<sup>68</sup> Id. at 369–396.

<sup>69</sup> Id. at 426–427.

<sup>70</sup> Id. at 429–467 (petitioner's Memorandum) and 542–553 (respondent's Memorandum).

Petitioner argues that respondent, in issuing the Cease and Desist Order, committed acts amounting to “disobedience of or resistance to a lawful writ, process, order, judgment”<sup>71</sup> of this Court in G.R. Nos. 168787 and 169271.<sup>72</sup>

On the other hand, respondent argues that the September 3, 2008 Decision “did not pass on the merits of [petitioner’s members’] qualifications as farmer beneficiaries.”<sup>73</sup> According to him, nowhere in the Decision did this Court pronounce that they were qualified as beneficiaries. He contends that *Department of Agrarian Reform*<sup>74</sup> mainly involved the validity of placing the Polo Coconut property under the coverage of the Comprehensive Agrarian Reform Program.<sup>75</sup> The discussion on beneficiaries, he avers, was included merely to highlight the Department of Agrarian Reform’s exclusive jurisdiction over issues on the program’s implementation,<sup>76</sup> and that, without proof that the Department of Agrarian Reform committed grave abuse of discretion, this Court will not substitute its judgment.<sup>77</sup>

Respondent adds that he had legal and factual bases to issue the Cease and Desist Order. It was alleged in the Petition for Inclusion/Exclusion that petitioner’s members were not seasonal farmworkers, but outsiders not related to the Polo Coconut management and the land.<sup>78</sup> He points out that, per the amended Section 22 of Republic Act No. 6657, the Department of Agrarian Reform is mandated to monitor the beneficiaries’ performance; thus, it can reevaluate their qualification, and even strip them of their rights if they violated agrarian reform laws.<sup>79</sup> He further states that Section 20 of Department of Agrarian Reform Administrative Order No. 03-03 authorizes the Regional Director to issue a Cease and Desist Order on any of these grounds:

1. That any party may suffer grave or irreparable damage;
2. That the doing of or continuance of certain acts will render the case moot and academic; or
3. That there is a need to maintain peace and order and prevent injury or loss of life and property.<sup>80</sup>

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<sup>71</sup> Id. at 458.

<sup>72</sup> Id. at 457–458.

<sup>73</sup> Id. at 547.

<sup>74</sup> 586 Phil. 69 (2008) [Per J. Corona, First Division].

<sup>75</sup> *Rollo*, p. 547.

<sup>76</sup> Id. at 547 and 549.

<sup>77</sup> Id. at 547.

<sup>78</sup> Id. at 550.

<sup>79</sup> Id.

<sup>80</sup> Id. at 551.

Finally, respondent avers that petitioner's voluntary submission to the Department of Agrarian Reform's jurisdiction, through the Motion for Reconsideration and Appeal, has rendered this case moot. The Department of Agrarian Reform Secretary's April 3, 2013 Order, he claims, affirms his position that his cognizance of the Petition for Inclusion/Exclusion and issuance of related Resolutions and Orders did not constitute defiance of the September 3, 2008 Decision.<sup>81</sup>

The issue for this Court's resolution is whether or not respondent Regional Director Rodolfo T. Inson's cognizance of the Petition for Inclusion/Exclusion of farmer beneficiaries, and his subsequent issuance of the July 7, 2009 Cease and Desist Order and the March 12, 2010 Order disqualifying some of petitioner's members, constitute defiance of this Court's September 3, 2008 Decision in G.R. Nos. 168787 and 169271.

This Court dismisses the Petition.

The validity of the July 7, 2009 Cease and Desist Order and the correctness of the March 12, 2010 Order will not be discussed in this Petition for Contempt. They should instead be tackled in a more appropriate mode and forum. Petitioner had appealed the Order partially granting the Petition for Inclusion/Exclusion and the July 14, 2010 Order<sup>82</sup> denying their Motion for Reconsideration. In an April 3, 2013 Order,<sup>83</sup> the Department of Agrarian Reform Secretary dismissed the appeal for lack of merit.

We proceed first to discuss the scope of the Department of Agrarian Reform's jurisdiction in agrarian law implementation cases.

## I

The Comprehensive Agrarian Reform Law vested in the Department of Agrarian Reform the primary responsibility of implementing the Comprehensive Agrarian Reform Program. Section 50 defines the Department's powers over agrarian reform matters:

SECTION 50. Quasi-Judicial Powers of the DAR. — The DAR is hereby vested with *primary jurisdiction to determine and adjudicate agrarian reform matters* and shall have *exclusive original jurisdiction over all matters involving the implementation of agrarian reform* except those falling under the exclusive jurisdiction of the Department of Agriculture (DA) and the Department of Environment and Natural Resources (DENR).

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<sup>81</sup> Id. at 551.

<sup>82</sup> Id. at 502–506.

<sup>83</sup> Id. at 554–606.

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Notwithstanding an appeal to the Court of Appeals, the decision of the DAR shall be immediately executory.<sup>84</sup> (Emphasis supplied)

*Sta. Rosa Realty Development Corporation v. Amante*<sup>85</sup> clarifies that Section 50 pertains to both the Department of Agrarian Reform's: (1) administrative function, which involves enforcing, administering, and carrying agrarian reform laws into operation; and (2) quasi-judicial function, which involves the determination of parties' rights and obligations in agrarian reform matters.

Prior to the Comprehensive Agrarian Reform Law, however, Executive Order No. 129-A<sup>86</sup> created the Adjudication Board and authorized it to assume the Department of Agrarian Reform's quasi-judicial functions:

SECTION 13. Agrarian Reform Adjudication Board. — There is hereby created an Agrarian Reform Adjudication Board under the Office of the Secretary. The Board shall be composed of the Secretary as Chairman, two (2) Undersecretaries as may be designated by the Secretary, the Assistant Secretary for Legal Affairs, and three (3) others to be appointed by the President upon the recommendation of the Secretary as members. A Secretariat shall be constituted to support the Board. *The Board shall assume the powers and functions with respect to the adjudication of agrarian reform cases under Executive Order No. 229 and this Executive Order.* These powers and functions may be delegated to the regional offices of the Department in accordance with rules and regulations to be promulgated by the Board. (Emphasis supplied)

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<sup>84</sup> Rep. Act No. 9700, or An Act Strengthening the Comprehensive Agrarian Reform Program (CARP), Extending the Acquisition and Distribution of All Agricultural Lands, Instituting Necessary Reforms, Amending for the Purpose Certain Provisions of Republic Act No. 6657, Otherwise Known as the Comprehensive Agrarian Reform Law of 1988, as Amended, and Appropriating Funds Therefor (2009), sec. 50-A provides:

Section 50-A. *Exclusive Jurisdiction on Agrarian Dispute.* — No court or prosecutor's office shall take cognizance of cases pertaining to the implementation of the CARP except those provided under Section 57 of Republic Act No. 6657, as amended. If there is an allegation from any of the parties that the case is agrarian in nature and one of the parties is a farmer, farmworker, or tenant, the case shall be automatically referred by the judge or the prosecutor to the DAR which shall determine and certify within fifteen (15) days from referral whether an agrarian dispute exists: *Provided*, That from the determination of the DAR, an aggrieved party shall have judicial recourse. In cases referred by the municipal trial court and the prosecutor's office, the appeal shall be with the proper regional trial court, and in cases referred by the regional trial court, the appeal shall be to the Court of Appeals.

In cases where regular courts or quasi-judicial bodies have competent jurisdiction, agrarian reform beneficiaries or identified beneficiaries and/or their associations shall have legal standing and interest to intervene concerning their individual or collective rights and/or interests under the CARP.

The fact of non-registration of such associations with the Securities and Exchange Commission, or Cooperative Development Authority, or any concerned government agency shall not be used against them to deny the existence of their legal standing and interest in a case filed before such courts and quasi-judicial bodies.

<sup>85</sup> 493 Phil. 570 (2005) [J. Austria-Martinez, Special First Division].

<sup>86</sup> Reorganization Act of the Department of Agrarian Reform (1987).

Section 7 of the Comprehensive Agrarian Reform Law authorizes the Department of Agrarian Reform, in coordination with the Presidential Agrarian Reform Council, to plan and program the acquisition and distribution of all agricultural lands in accordance with the order of priority under the law. Inherent in this function is the Department of Agrarian Reform's power to identify the landholdings within the coverage of the Comprehensive Agrarian Reform Program, and to identify, screen, and select agrarian reform beneficiaries.<sup>87</sup> The Department of Agrarian Reform is further tasked to make support and coordinative services available to farmer-beneficiaries and affected landowners.<sup>88</sup>

There are two (2) modes of acquiring land under the Comprehensive Agrarian Reform Law: (1) compulsory acquisition<sup>89</sup> and (2) voluntary offer for sale/land transfer.<sup>90</sup>

### I (A)

Section 16 outlines the procedure for compulsory land acquisition:

SECTION 16. Procedure for Acquisition of Private Lands. — For purposes of acquisition of private lands, the following procedures shall be followed:

- (a) After having identified the land, the landowners and the beneficiaries, the DAR shall send its notice to acquire the land to the owners thereof, by personal delivery or registered mail, and post the same in a conspicuous place in the municipal building and barangay hall of the place where the property is

<sup>87</sup> Rep. Act No. 6657 (1988), secs. 15 and 16 provide:

SECTION 15. Registration of Beneficiaries. — The DAR in coordination with the Barangay Agrarian Reform Committee (BARC) as organized in this Act, shall register all agricultural lessees, tenants and farmworkers who are qualified to be beneficiaries of the CARP. These potential beneficiaries with the assistance of the BARC and the DAR shall provide the following data:

- (a) names and members of their immediate farm household;
- (b) owners or administrators of the lands they work on and the length of tenurial relationship;
- (c) location and area of the land they work;
- (d) crops planted; and
- (e) their share in the harvest or amount of rental paid or wages received.

A copy of the registry or list of all potential CARP beneficiaries in the barangay shall be posted in the barangay hall, school or other public buildings in the barangay where it shall be open to inspection by the public at all reasonable hours.

SECTION 16. Procedure for Acquisition of Private Lands. — For purposes of acquisition of private lands, the following procedures shall be followed:

- (a) *After having identified the land, the landowners and the beneficiaries*, the DAR shall send its notice to acquire the land to the owners thereof, by personal delivery or registered mail, and post the same in a conspicuous place in the municipal building and barangay hall of the place where the property is located. Said notice shall contain the offer of the DAR to pay a corresponding value in accordance with the valuation set forth in Sections 17, 18, and other pertinent provisions hereof. (Emphasis supplied)

<sup>88</sup> Rep. Act No. 6657 (1988), secs. 35–38.

<sup>89</sup> Rep. Act No. 6657 (1988), sec. 16.

<sup>90</sup> Rep. Act No. 6657 (1988), secs. 19–21. Under Rep. Act No. 9700 (2009), sec. 5, voluntary land transfer will no longer be allowed as a mode of acquisition after June 30, 2009.

located. Said notice shall contain the offer of the DAR to pay a corresponding value in accordance with the valuation set forth in Sections 17, 18, and other pertinent provisions hereof.

- (b) Within thirty (30) days from the date of receipt of written notice by personal delivery or registered mail, the landowner, his administrator or representative shall inform the DAR of his acceptance or rejection of the offer.
- (c) If the landowner accepts the offer of the DAR, the Land Bank of the Philippines (LBP) shall pay the landowner the purchase price of the land within thirty (30) days after he executes and delivers a deed of transfer in favor of the Government and surrenders the Certificate of Title and other monuments of title.
- (d) In case of rejection or failure to reply, the DAR shall conduct summary administrative proceedings to determine the compensation for the land by requiring the landowner, the LBP and other interested parties to submit evidence as to the just compensation for the land, within fifteen (15) days from the receipt of the notice. After the expiration of the above period, the matter is deemed submitted for decision. The DAR shall decide the case within thirty (30) days after it is submitted for decision.
- (e) Upon receipt by the landowner of the corresponding payment or, in case of rejection or no response from the landowner, upon the deposit with an accessible bank designated by the DAR of the compensation in cash or in LBP bonds in accordance with this Act, the DAR shall take immediate possession of the land and shall request the proper Register of Deeds to issue a Transfer Certificate of Title (TCT) in the name of the Republic of the Philippines. The DAR shall thereafter proceed with the redistribution of the land to the qualified beneficiaries.
- (f) Any party who disagrees with the decision may bring the matter to the court of proper jurisdiction for final determination of just compensation.

Section 16(a) requires that after identification of the land, landowners, and farmer beneficiaries, the Department of Agrarian Reform will send a notice of acquisition to the landowner, through personal delivery or registered mail, and post it in a conspicuous place in the municipal building and barangay hall of the place where the property is located.

While the law does not provide how the identification process must be made, the details or guidelines can be found in pertinent administrative issuances of the Department of Agrarian Reform or the Provincial Agrarian Reform Council, per their rule-making power under Section 49.<sup>91</sup>

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<sup>91</sup> Rep. Act No. 6657 (1988), sec. 49 provides:

Under the Department of Agrarian Reform Administrative Order No. 01-03, or the 2003 Rules Governing Issuance of Notice of Coverage and Acquisition of Agricultural Lands Under Republic Act No. 6657, compulsory acquisition is commenced through two (2) ways.

The first is through a Notice of Coverage. After determining that the land is covered by the Comprehensive Agrarian Reform Program and writing a pre-ocular inspection report, the Municipal Agrarian Reform Officer sends a Notice to the landowner. The Notice would be posted for at least seven (7) days in the bulletin boards of the barangay hall and municipal/city hall where the property is located.

The other way is through a Petition for Coverage, filed by any party before the Department of Agrarian Reform's Regional Office or Provincial Office of the region or province where the property is located. Either of these offices transmits the case folder to the Municipal Agrarian Reform Officer where the property is located.<sup>92</sup>

Under Department of Agrarian Reform Administrative Order No. 01-03, the Municipal Agrarian Reform Officer serves copies of the Notice of Coverage or Petition for Coverage on the landowner. Through the Notice, the landowner is informed that his or her landholding is subjected to the Comprehensive Agrarian Reform Program. He or she is invited to a public hearing or field investigation on the date specified in the Notice. Moreover, the landowner is informed of his or her rights and privileges (with corresponding restrictions and conditions), as follows:

1. apply for an exemption clearance or for exclusion from the Comprehensive Agrarian Reform Program's coverage;
2. retain an area not exceeding five (5) hectares pursuant to Section 6 of Republic Act No. 6657;
3. nominate his/her child/ren who may qualify as beneficiary/ies to the subject landholding; and/or
4. submit evidence for determining just compensation of the subject landholding.

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SECTION 49. Rules and Regulations. — The PARC and the DAR shall have the power to issue rules and regulations, whether substantive or procedural, to carry out the objects and purposes of this Act. Said rules shall take effect ten (10) days after publication in two (2) national newspapers of general circulation.

<sup>92</sup> DAR Adm. Order No. 01-03 (2003), secs. 1 and 2.

The landowner or any real party-in-interest may file before the Department of Agrarian Reform Municipal Office a protest or petition to lift the coverage of the Comprehensive Agrarian Reform Program within 60 calendar days from receipt of the Notice.<sup>93</sup> The protest will be resolved in accordance with the procedure set forth in Department of Agrarian Reform Administrative Order No. 03-03, or the 2003 Rules for Agrarian Law Implementation Cases.

Meanwhile, the process of identifying and screening potential agrarian reform beneficiaries is suspended until after the lapse of the 60-day period from the landowner's receipt of the Notice, or upon the authorized agency's final determination of the petition for retention, exclusion, and exemption, if any were filed.<sup>94</sup>

Upon receipt of the Memorandum of Valuation from the Land Bank of the Philippines and Claim Folder Profile and Valuation Summary, the Provincial Agrarian Reform Officer sends a Notice of Land Valuation and Acquisition to the landowner in accordance with the same service procedures in Department of Agrarian Reform Administrative Order No. 01-03.

Section 16(e) mandates the Department to take immediate possession of the land only after full payment or deposit of the compensation with the bank (in case of rejection/non-response of landowner), and to request the Register of Deeds to transfer title in the name of the Republic of the Philippines, and later on to the intended beneficiaries.

### I (B)

Upon land acquisition, the Department of Agrarian Reform immediately proceeds to distribute the land to qualified beneficiaries.<sup>95</sup>

Sections 22 and 22-A<sup>96</sup> of the Comprehensive Agrarian Reform Law provides the order of priority in the distribution of lands covered by the

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<sup>93</sup> DAR Adm. Order No. 03-03 (2003), sec. 13.2.

<sup>94</sup> DAR Adm. Order No. 07-03 (2003), sec. 2.19.

<sup>95</sup> DAR Adm. Order No. 07-03 (2003), sec. 2.1.

<sup>96</sup> Rep. Act No. 6657 (1988), sec. 22 provides:

SECTION 22. Qualified Beneficiaries. — The lands covered by the CARP shall be distributed as much as possible to landless residents of the same barangay, or in the absence thereof, landless residents of the same municipality in the following order of priority:

- (a) agricultural lessees and share tenants;
- (b) regular farmworkers;
- (c) seasonal farmworkers;
- (d) other farmworkers;
- (e) actual tillers or occupants of public lands;
- (f) collectives or cooperatives of the above beneficiaries; and
- (g) others directly working on the land.



Comprehensive Agrarian Reform Program to landless farmers/farmworkers. The basic qualification for a beneficiary is his or her “willingness, aptitude, and ability to cultivate and make the land as productive as possible.”

Department of Agrarian Reform Administrative Order No. 07-03<sup>97</sup> provides the qualifications, disqualifications, and rights and obligations of agrarian reform beneficiaries. It also provides the operating procedures for their: (1) identification, screening, and selection; (2) resolution of protests in the selection; and (3) certificate of land ownership award generation and registration.

The Municipal or Provincial Agrarian Reform Officer, together with the Barangay Agrarian Reform Committee, screens and selects the possible agrarian beneficiaries, under the criteria in Sections 4 and 5 of Department of Agrarian Reform Administrative Order No. 07-03:

Section 4. Qualifications. Only those who meet the following qualifications shall be eligible as beneficiaries:

4.1 General Qualifications. All agrarian reform beneficiaries must be:

4.1.1 Landless as defined by R.A. No. 6657;

4.1.2 Filipino citizen;

4.1.3 Permanent resident of the barangay and/or municipality, if applicable[;]

4.1.4 At least fifteen (15) years of age or head of family at the time of acquisition of the property (titled in the name of the Republic of the Philippines), or at least 18 years old

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*Provided, however,* That the children of landowners who are qualified under Section 6 of this Act shall be given preference in the distribution of the land of their parents: and *Provided, further,* That actual tenant-tillers in the landholdings shall not be ejected or removed therefrom.

Beneficiaries under Presidential Decree No. 27 who have culpably sold, disposed of, or abandoned their land are disqualified to become beneficiaries under this Program.

A basic qualification of a beneficiary shall be his willingness, aptitude, and ability to cultivate and make the land as productive as possible. The DAR shall adopt a system of monitoring the record or performance of each beneficiary, so that any beneficiary guilty of negligence or misuse of the land or any support extended to him shall forfeit his right to continue as such beneficiary. The DAR shall submit periodic reports on the performance of the beneficiaries to the PARC.

If, due to the landowner's retention rights or to the number of tenants, lessees, or workers on the land, there is not enough land to accommodate any or some of them, they may be granted ownership of other lands available for distribution under this Act, at the option of the beneficiaries.

Farmers already in place and those not accommodated in the distribution of privately-owned lands will be given preferential rights in the distribution of lands from the public domain. (Emphasis in the original)

Rep. Act No. 9700, sec. 22-A further provides:

SECTION 22-A. Order of Priority. — A landholding of a landowner shall be distributed first to qualified beneficiaries under Section 22, subparagraphs (a) and (b) of that same landholding up to a maximum of three (3) hectares each. Only when these beneficiaries have all received three (3) hectares each, shall the remaining portion of the landholding, if any, be distributed to other beneficiaries under Section 22, subparagraphs (c), (d), (e), (f), and (g).

<sup>97</sup> Guidelines on the Identification, Screening and Selection of, and Distribution to Agrarian Reform Beneficiaries (ARBs) of Private Agricultural Lands under Republic Act (R.A.) No. 6657.

as of 15 June 1988 in the case of Commercial Farms (CFs);  
and

4.1.5 Willing and have the ability and aptitude to cultivate and make the land productive.

4.2 Specific Qualifications for Farmworkers in Commercial Farms. In addition to item 4.1 above, the applicant must have been employed in the property being covered on June 15, 1988.

Section 5. Grounds for Disqualification/Exclusion. The following shall be the grounds for disqualification/exclusion as ARBs of the CARP:

5.1. Failure to meet the qualifications as provided for under Section 22 of R.A. No. 6657;

5.2. Non-payment of an aggregate of three (3) annual amortizations or default in payment of three (3) annual amortizations with the landowner (LO) that resulted to the foreclosure of mortgage on the awarded land by the LBP or repossession by the landowners (in the case of voluntary land transfer/direct payment scheme or VLT/DPS) of the awarded lands except if the non-payment of the rental is due to crop failure as a result of fortuitous events per Section 36(6) of R.A. No. 3844, to the extent of seventy-five percent (75%);

5.3. Misuse or diversion of financial support services extended to them (Section 37 of R.A. No. 6657);

5.4. Negligence or misuse of the land or any support extended to them (Section 22 of R.A. No. 6657);

5.5. Material misrepresentation of the ARB's basic qualifications as provided for under Section 22 of R.A. No. 6657, P.D. No. 27, and other agrarian laws;

5.6. Sale, disposition, or abandonment of the lands awarded by government under CARP or P.D. No. 27 which is violative of the agrarian laws;

5.7. Conversion of agricultural lands to non-agricultural use without prior approval from the DAR;

5.8. Retirement from the service, whether optional or mandatory, or voluntary resignation, provided this was not attended by coercion and/or deception, and there is no case questioning said retirement or voluntary resignation by the applicant as of the date of approval of this Order;

5.9. Dismissal from the service for cause and there is no case filed questioning said dismissal as of the approval of this Order and if there is any such case, the same has been affirmed by the proper entity of government;

5.10. Obtaining a substantially equivalent and regular employment, as defined in Section 3 (m) of this A.O.;

5.11. Retrenchment from the farm and receipt of separation pay, and the retrenchment not having been appealed or questioned in the proper government entity as of the approval of this A.O.;

5.12. Execution of a waiver of right to become an ARB in exchange for due compensation and waiver not having been questioned in the proper government entity as of the approval of this A.O.;

5.13. Refusal to be listed as an ARB and to provide pertinent information as requested by the DAR in the invitation letter, which shall be construed as unwillingness on the part of the potential beneficiary to be listed;

5.14. Forcible entry into the property or illegal detainer (e.g. after beneficiaries were paid by the LO); and

5.15. Commission of any violation of the agrarian reform laws and regulations, or related issuances, as determined with finality after proper proceedings by the appropriate tribunal or agency.

All qualified agrarian reform beneficiaries are then ranked in accordance with the order of priority under Sections 22 and 22-A.<sup>98</sup> Then, the master list of agrarian reform beneficiaries is posted for 15 days in at least three (3) conspicuous places in the barangay hall, municipal hall, and in the community where the property is located.<sup>99</sup>

Written protests for the inclusion/exclusion from the master list must be filed before the Department of Agrarian Reform's Regional or Provincial Office, as the case may be, not later than 15 days from the last day of posting of the list.<sup>100</sup> The Regional Director will resolve the protest through summary proceedings within 30 days from receiving the Beneficiary Screening Committee's case records or the Provincial Office's investigation report and recommendation.<sup>101</sup> The master list becomes final and executory after the lapse of 15 days from receipt of the Regional Director's decision on the protest, but such finality is only for the specific purpose of generating the certificate of land ownership award.<sup>102</sup>

An appeal or motion for reconsideration from the Regional Director's decision or order for inclusion/exclusion of potential agrarian reform beneficiaries in/from the master list will be governed by Department of Agrarian Reform Administrative Order No. 03-03.

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<sup>98</sup> Department of Agrarian Reform Administrative Order No. 07-03 (2003), sec. 10.2.4.

<sup>99</sup> Department of Agrarian Reform Administrative Order No. 07-03 (2003), sec. 8.3 in relation to sec. 10.2.5.

<sup>100</sup> Department of Agrarian Reform Administrative Order 07-03 (2003), secs. 11.1.1 and 11.2.1.

<sup>101</sup> Department of Agrarian Reform Administrative Order No. 07-03 (2003), secs. 11.3.1 and 11.3.2.

<sup>102</sup> Department of Agrarian Reform Administrative Order No. 07-03 (2003), sec. 11.3.4.

After the issuance of certificates of land ownership award, a petition to reopen the identification and selection of agrarian reform beneficiaries may be filed on grounds of duress or threat by the landowner against the petitioner during the identification phase. Section 14 of Department of Agrarian Reform Administrative Order No. 07-03 provides:

SECTION 14. Re-Opening of ARB Identification and Selection

14.1 Subsequent to the issuance of CLOAs but prior to the installation of ARBs, the Regional Director may grant due course to a sworn petition to re-open the identification, screening and selection process on the grounds of duress or threat by the landowner against the petitioner during the identification phase. After installation of the ARBs, only the Secretary may grant due course to such a petition.

14.2 Any petition to re-open the ARB identification, screening and selection process subsequent to installation shall be directly filed with the Office of the Regional Director where the property is located which shall have the exclusive jurisdiction to act on the petition. The procedures shall be in accordance with A.O. No. 3, Series of 2003 titled, "2003 Rules for Agrarian Law Implementation Cases".

The re-opening of ARB identification, screening and selection shall, however, subscribe to the provisions for qualification, disqualification, rights and obligations, and procedures prescribed under pertinent sections of this Administrative Order.

As in protests for inclusion/exclusion of agrarian reform beneficiaries, petitions to reopen the identification and selection process are governed by Department of Agrarian Reform Administrative Order No. 03-03.<sup>103</sup>

I (C)

Under Department of Agrarian Reform Administrative Order No. 03-03,<sup>104</sup> the Regional Director<sup>105</sup> has primary jurisdiction over all agrarian law implementation cases, while the Department of Agrarian Reform Secretary<sup>106</sup> has appellate jurisdiction over them. Rule I, Section 2 provides:

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<sup>103</sup> Department of Agrarian Reform Administrative Order No. 03-03 (2003), Rule I, sec. 2.14.

<sup>104</sup> 2003 Rules for Agrarian Law Implementation Cases (2003).

<sup>105</sup> DAR Administrative Order No. 03-03 (2003), Rule II, sec. 7 provides:

SECTION 7. General Jurisdiction. The Regional Director shall exercise primary jurisdiction over all agrarian law implementation cases except when a separate special rule vests primary jurisdiction in a different DAR office.

<sup>106</sup> DAR Administrative Order No. 03-03 (2003), Rule II, sec. 10 provides:

SECTION 10. Appellate Jurisdiction. The Secretary shall exercise appellate jurisdiction over all ALI cases, and may delegate the resolution of appeals to any Undersecretary.

SECTION 2. ALI cases. These Rules shall govern all cases arising from or involving:

- 2.1 Classification and identification of landholdings for coverage under the agrarian reform program and the initial issuance of Certificate of Land Ownership Awards (CLOAs) and Emancipation Patents (EPs), including protests or oppositions thereto and petitions for lifting of such coverage;
- 2.2 *Classification, identification, inclusion, exclusion, qualification, or disqualification of potential/actual farmer-beneficiaries;*
- 2.3 Subdivision surveys of land under Comprehensive Agrarian Reform [Program] (CARP);
- 2.4 Recall, or cancellation of provisional lease rentals, Certificates of Land Transfers (CLTs) and CARP Beneficiary Certificates (CBCs) in cases outside the purview of Presidential Decree (PD) No. 816, including *the issuance, recall, or cancellation of Emancipation Patents (EPs) or Certificates of Land Ownership Awards (CLOAs) not yet registered with the Register of Deeds;*
- 2.5 Exercise of the right of retention by landowner;
- 2.6 Application for exemption from coverage under Section 10 of RA 6657;
- 2.7 Application for exemption pursuant to Department of Justice (DOJ) Opinion No. 44 (1990);
- 2.8 Exclusion from CARP coverage of agricultural land used for livestock, swine, and poultry raising;
- 2.9 Cases of exemption/exclusion of fishpond and prawn farms from the coverage of CARP pursuant to RA 7881;
- 2.10 Issuance of Certificate of Exemption for land subject of Voluntary Offer to Sell (VOS) and Compulsory Acquisition (CA) found unsuitable for agricultural purposes;
- 2.11 Application for conversion of agricultural land to residential, commercial, industrial, or other non agricultural uses and purposes including protests or oppositions thereto;
- 2.12 Determination of the rights of agrarian reform beneficiaries to homelots;
- 2.13 Disposition of excess area of the tenant's/farmer-beneficiary's landholdings;
- 2.14 Increase in area of tillage of a tenant/farmer-beneficiary;
- 2.15 Conflict of claims in landed estates administered by DAR and its predecessors; and
- 2.16 Such other agrarian cases, disputes, matters or concerns referred to it by the Secretary of the DAR.

On the other hand, in the exercise of its quasi-judicial function, the Department of Agrarian Reform, through its adjudication arm—the Adjudication Board and its regional and provincial adjudication boards—adopted the 2003 DARAB Rules of Procedure. Under Rule II, Section 2, the Adjudication Board shall have exclusive appellate jurisdiction to review,

reverse, modify, alter, or affirm resolutions, orders, and decisions of its Adjudicators who have primary and exclusive original jurisdiction over the following cases:

Rule II  
Jurisdiction of the Board and its Adjudicators

SECTION 1. Primary and Exclusive Original Jurisdiction. — The Adjudicator shall have primary and exclusive original jurisdiction to determine and adjudicate the following cases:

- 1.1 The rights and obligations of persons, whether natural or juridical, engaged in the management, cultivation, and use of all agricultural lands covered by Republic Act (RA) No. 6657, otherwise known as the Comprehensive Agrarian Reform Law (CARL), and other related agrarian laws;
- 1.2 The preliminary administrative determination of reasonable and just compensation of lands acquired under Presidential Decree (PD) No. 27 and the Comprehensive Agrarian Reform Program (CARP);
- 1.3 The annulment or cancellation of lease contracts or deeds of sale or their amendments involving lands under the administration and disposition of the DAR or Land Bank of the Philippines (LBP);
- 1.4 Those cases involving the ejectment and dispossession of tenants and/or leaseholders;
- 1.5 Those cases involving the sale, alienation, pre-emption, and redemption of agricultural lands under the coverage of the CARL or other agrarian laws;
- 1.6 *Those involving the correction, partition, cancellation, secondary and subsequent issuances of Certificates of Land Ownership Award (CLOAs) and Emancipation Patents (EPs) which are registered with the Land Registration Authority[.]*

Rule II, Section 3 further states that neither the Adjudicator nor the Adjudication Board has jurisdiction over matters involving the administrative implementation of the Comprehensive Agrarian Reform Law and other agrarian laws, as they are exclusively cognizable by the Department of Agrarian Reform Secretary.

In *Sutton v. Lim*,<sup>107</sup> this Court clarified that the Adjudication Board's jurisdiction over petitions for cancellation of registered certificates of land ownership award is confined to agrarian disputes:

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*

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<sup>107</sup> 700 Phil. 67 (2012) [Per J. Perlas-Bernabe, Second Division]. See also *Cañas-Manuel v. Egano*, 767 Phil. 412 (2015) [Per J. Brion, Second Division].



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, to wit:

The Court agrees with the petitioners' contention that, under Section 2(f), Rule II of the DARAB Rules of Procedure, the DARAB has jurisdiction over cases involving the issuance, correction and cancellation of CLOAs which were registered with the LRA. However, for the DARAB to have jurisdiction in such cases, they must relate to an agrarian dispute between landowner and tenants to whom 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 the DARAB.***

Thus, it is not sufficient that the controversy involves the cancellation of a CLOA already registered with the Land Registration Authority. What is of primordial consideration is the existence of an agrarian dispute between the parties.<sup>108</sup> (Emphasis supplied, citations omitted)

In *Concha v. Rubio*,<sup>109</sup> this Court, citing *Lercana v. Jalandoni*<sup>110</sup> and *Sta. Rosa Realty Development Corporation v. Amante*,<sup>111</sup> held that the identification and selection of agrarian reform beneficiaries involve the administrative implementation of the Comprehensive Agrarian Reform Program, which is within the exclusive jurisdiction of the Department of Agrarian Reform. Hence, when seeking to contest the selection of beneficiaries, a party should avail of the administrative remedies under the Department of Agrarian Reform, not under the Adjudication Board. In *Concha*:

In *Department of Agrarian Reform v. Department of Education, Culture and Sports*, this Court held that the administrative prerogative of DAR to identify and select agrarian reform beneficiaries holds sway upon the courts:

In the case at bar, the BARC certified that herein farmers were potential CARP beneficiaries of the subject properties. Further, on November 23, 1994, the Secretary of Agrarian Reform through the Municipal Agrarian Reform Office (MARO) issued a Notice of Coverage placing the subject properties under CARP. **Since the identification and selection of CARP beneficiaries are**

<sup>108</sup> Id. at 74.

<sup>109</sup> 631 Phil. 21 (2010) [Per J. Peralta, Third Division].

<sup>110</sup> 426 Phil. 319 (2002) [Per J. Quisumbing, Second Division].

<sup>111</sup> 493 Phil. 570 (2005) [Per J. Austria-Martinez, Special First Division].

**matters involving strictly the administrative implementation of the CARP, it behooves the courts to exercise great caution in substituting its own determination of the issue, unless there is grave abuse of discretion committed by the administrative agency . . .**

Thus, the Municipal Agrarian Reform Officer’s (MARO) decision not to include respondents as farmer-beneficiaries must be accorded respect in the absence of abuse of discretion. It bears stressing that it is the MARO or the Provincial Agrarian Reform Officer (PARO) who, together with the *Barangay* Agrarian Reform Committee, screens and selects the possible agrarian beneficiaries. If there are farmers who claim they have priority over those who have been identified by the MARO as beneficiaries of the land, said farmers can file a protest with the MARO or the PARO who is currently processing the Land Distribution Folder. Afterwards, the proper recourse of any individual who seeks to contest the selection of beneficiaries is to avail himself of the administrative remedies under the DAR and not under the DARAB, which is bereft of jurisdiction over this matter.<sup>112</sup> (Emphasis in the original, citations omitted)

Under the new law, Republic Act No. 9700,<sup>113</sup> all cases involving the cancellation of certificates of land ownership award and other titles issued under any agrarian reform program are within the exclusive and original jurisdiction of the Department of Agrarian Reform Secretary. Section 9 provides:

SECTION 9. Section 24 of Republic Act No. 6657, as amended, is hereby further amended to read as follows:

SEC. 24. . . .  
. . . .

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.

**I (D)**

In addition to identifying the qualified beneficiaries, Section 22 of the Comprehensive Agrarian Reform Law mandates the Department of Agrarian Reform to “adopt a system of monitoring the record or performance of each beneficiary, so that any beneficiary guilty of negligence or misuse of the land or any support extended to him shall forfeit his right to continue as such beneficiary.”<sup>114</sup>

<sup>112</sup> *Concha v. Rubio*, 631 Phil. 21, 35–36 (2010) [Per J. Peralta, Third Division].

<sup>113</sup> An Act Strengthening the Comprehensive Agrarian Reform Program (CARP), Extending the Acquisition and Distribution of All Agricultural Lands, Instituting Necessary Reforms, Amending for the Purpose Certain Provisions of Republic Act No. 6657, otherwise, known as The Comprehensive Agrarian Reform Law of 1988, as amended, and Appropriating Funds Therefor (August 7, 2009).

<sup>114</sup> Rep. Act No. 6657 (1988), sec. 22.



The Department of Agrarian Reform, mandated to monitor the performance of beneficiaries and ensure the integrity of its master list of agrarian reform beneficiaries, integrated the Agrarian Reform Beneficiaries Carding and Identification System<sup>115</sup> in its land acquisition and distribution process.

Under the Agrarian Reform Beneficiaries Carding and Identification System, agrarian reform beneficiaries with titles under the agrarian reform laws will be issued identification cards as proof of their being bona fide beneficiaries. These identification cards are validated yearly based on the Department of Agrarian Reform Municipal Office's inspection of the beneficiaries' performance and compliance with their duties under the laws. The Municipal Office checks if they still own and cultivate the landholding awarded to them, or if they have committed any offense. Beneficiaries found to have violated the laws will be removed from the master list. Consequently, their identification cards and emancipation patents or certificates of land ownership award will be canceled.

Section 24 of the Comprehensive Agrarian Reform Law states that the rights and obligations of beneficiaries commence from the time the land is awarded to them. The certificate of land ownership award contains the restrictions and conditions provided in the law and other applicable statutes. Thus:

*SECTION 24. Award to Beneficiaries. — The rights and responsibilities of the beneficiary shall commence from the time the DAR makes an award of the land to him, which award shall be completed within one hundred eighty (180) days from the time the DAR takes actual possession of the land. Ownership of the beneficiary shall be evidenced by a Certificate of Land Ownership Award, which shall contain the restrictions and conditions provided for in this Act, and shall be recorded in the Register of Deeds concerned and annotated on the Certificate of Title. (Emphasis supplied)*

The restrictions and conditions refer to payment of annual amortizations, transferability of the awarded land, and proper use of financial and support services, which are found in the following provisions of the Comprehensive Agrarian Reform Law:

*SECTION 26. Payment by Beneficiaries. — Lands awarded pursuant to this Act shall be paid for by the beneficiaries to the LBP in thirty (30) annual amortizations at six percent (6%) interest per annum. The payments for the first three (3) years after the award may be at reduced amounts as established by the PARC: Provided, That the first five*

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<sup>115</sup> DAR Administrative Order No. 03-08 (2008). Guidelines on ARB Carding and Identification System and its Mainstreaming in Land Acquisition and Distribution Process.

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(5) annual payments may not be more than five percent (5%) of the value of the annual gross production as established by the DAR. Should the scheduled annual payments after the fifth year exceed ten percent (10%) of the annual gross production and the failure to produce accordingly is not due to the beneficiary's fault, the LBP may reduce the interest rate or reduce the principal obligation to make the repayment affordable.

***The LBP shall have a lien by way of mortgage on the land awarded to the beneficiary; and this mortgage may be foreclosed by the LBP for non-payment of an aggregate of three (3) annual amortizations. The LBP shall advise the DAR of such proceedings and the latter shall subsequently award the forfeited landholdings to other qualified beneficiaries.*** A beneficiary whose land, as provided herein, has been foreclosed shall thereafter be permanently disqualified from becoming a beneficiary under this Act.

SECTION 27. *Transferability of Awarded Lands.* — ***Lands acquired by beneficiaries under this Act may not be sold, transferred or conveyed except through hereditary succession, or to the government, or to the LBP, or to other qualified beneficiaries for a period of ten (10) years: Provided, however,*** That the children or the spouse of the transferor shall have a right to repurchase the land from the government or LBP within a period of two (2) years. ***Due notice of the availability of the land shall be given by the LBP to the Barangay Agrarian Reform Committee (BARC) of the barangay where the land is situated.*** The Provincial Agrarian Reform Coordinating Committee (PARCCOM) as herein provided, shall, in turn, be given due notice thereof by the BARC.

If the land has not yet been fully paid by the beneficiary, the rights to the land may be transferred or conveyed, with prior approval of the DAR, to any heir of the beneficiary or to any other beneficiary who, as a condition for such transfer or conveyance, shall cultivate the land himself. Failing compliance herewith, the land shall be transferred to the LBP which shall give due notice of the availability of the land in the manner specified in the immediately preceding paragraph.

In the event of such transfer to the LBP, the latter shall compensate the beneficiary in one lump sum for the amounts the latter has already paid, together with the value of improvements he has made on the land.

....

SECTION 37. *Support Services to the Beneficiaries.* — The PARC shall ensure that support services to farmer-beneficiaries are provided, such as:

- (a) Land surveys and titling;
- (b) Liberalized terms on credit facilities and production loans;
- (c) Extension services by way of planting, cropping, production and post-harvest technology transfer, as well as marketing and management assistance and support to cooperatives and farmers' organizations;
- (d) Infrastructure such as access trails, mini-dams, public utilities, marketing and storage facilities; and

- (e) Research, production and use of organic fertilizers and other local substances necessary in farming and cultivation.

....

***Misuse or diversion of the financial and support services herein provided shall result in sanctions against the beneficiary guilty thereof, including the forfeiture of the land transferred to him or lesser sanctions as may be provided by the PARC, without prejudice to criminal prosecution.*** (Emphasis supplied)

Failure of beneficiaries to comply with the prescribed conditions may result in the forfeiture of the land awarded to them. A certificate of land ownership award may be corrected and canceled for violations of agrarian laws, rules, and regulations.<sup>116</sup>

Department of Agrarian Reform Administrative Order No. 03-09<sup>117</sup> provides the rules and procedures for canceling certificates of land ownership award and other titles under the Comprehensive Agrarian Reform Program.<sup>118</sup> The causes of action in a petition for cancellation of a certificate of land ownership award are:

SECTION 4. Causes of Action. — No petition for cancellation shall be filed unless it has been determined and ruled with finality by the DAR Secretary or the Courts that:

(a) The land subject matter of the CLOA, EP or other title under agrarian reform program is found to be:

1. The retention area of the landowner;
2. Excluded from the coverage of CARP, PD No. 27 or other agrarian reform program;
3. Exempted from the coverage of CARP, PD No. 27 or other agrarian reform program;
4. Outside of the authority of the DAR to dispose and award, as the same falls within the authority of the DENR to distribute;
5. Consist in the erroneous issuance of the said title resulting from the defect or lacking in documentation (DNYP or DNYD generated titles but not yet distributed).

(b) The CLOA or EP holder is found to have:

1. Misused or diverted the financial and support services;
2. Misused the land;
3. Materially misrepresented his basic qualifications as agrarian reform beneficiary;

<sup>116</sup> See *Almagro v. Spouses Amaya, Sr.*, 711 Phil. 493 (2013) [Per J. Velasco, Jr., Third Division].

<sup>117</sup> Rules and Procedures Governing the Cancellation of Registered Certificates of Land Ownership Awards (CLOAs), Emancipation Patents (EPs), and Other Titles Issued Under Any Agrarian Reform Program.

<sup>118</sup> DAR Adm. Order No. 03-09 (2009), sec. 47 states that the Administrative Order shall take effect on July 1, 2009 pursuant to Rep. Act No. 9700, sec. 31.

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4. Illegally converted into other uses the awarded the land;
5. Sold, transferred, conveyed the awarded land to other person;
6. Defaulted in the payment of obligation for three (3) consecutive years in the case of Voluntary Land Transfer/Direct Payment Scheme;
7. Failed to pay the amortization for at least three (3) annual amortizations;
8. Neglected or abandoned the awarded land; and
9. Circumvented the laws related to the implementation of the agrarian reform program.

Department of Agrarian Reform Administrative Order No. 03-09 further states that the cancellation of registered certificates of land ownership award, emancipation patents, and other titles “under any agrarian reform program shall be strictly regulated and may be allowed only in the manner and conditions prescribed”<sup>119</sup> in the Administrative Order.

## II

Here, the collective Certificate of Land Ownership Award, with CLOA No. 00114438, was issued in favor of petitioner’s members<sup>120</sup> on January 27, 2004, and registered on January 30, 2004 under TCT No. T-802.<sup>121</sup>

On July 16, 2004, the Provincial Agrarian Reform Officer informed Polo Coconut that a resurvey of the land will be conducted. Polo Coconut filed a Motion to suspend the survey before the Adjudication Board, but it was denied for lack of jurisdiction. Thus, Polo Coconut filed a Petition for Certiorari.

Polo Coconut raised two (2) issues before the Court of Appeals: (1) the propriety of land coverage under the Comprehensive Agrarian Reform Program and (2) the qualification of the identified beneficiaries.<sup>122</sup> The Court of Appeals ruled in favor of Polo Coconut and nullified CLOA No. 00114438/TCT No. T-802. It held that the identified beneficiaries were not tenants of Polo Coconut, and thus, could not qualify under the program.<sup>123</sup>

Both the Department of Agrarian Reform and petitioner’s members moved for reconsideration, but their Motions were denied.<sup>124</sup> Hence, the Department filed before this Court a Petition for Review, docketed as G.R.

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<sup>119</sup> DAR Adm. Order No. 03-09 (2009), sec. 2.

<sup>120</sup> *Rollo*, p. 24.

<sup>121</sup> *Id.* at 107–113 and 516–522.

<sup>122</sup> *Department of Agrarian Reform v. Polo Coconut Plantation Company, Inc.*, 586 Phil. 69, 76 (2008) [Per J. Corona, First Division].

<sup>123</sup> *Id.*

<sup>124</sup> *Id.* at 77.

No. 168787. Petitioner's members filed a separate Petition for Review, entitled "*Abarca, et al. v. Polo Coconut Plantation Company, Inc., et al.*," docketed as G.R. No. 169271. They contended that while they were neither farmers nor regular farmworkers of Polo Coconut, they were either seasonal or other farmworkers eligible to receive land under the Comprehensive Agrarian Reform Law.<sup>125</sup> The two (2) Petitions were later consolidated.

In its September 3, 2008 Decision, this Court reversed and set aside the Court of Appeals Decision. It found that Polo Coconut did not exhaust its administrative remedies because Polo Coconut did not file a protest or opposition before the Department of Agrarian Reform Secretary.<sup>126</sup> Moreover, on the issue of qualification of the identified beneficiaries, this Court found no grave abuse of discretion on the part of the Department.<sup>127</sup> It ruled that Section 22 of the Comprehensive Agrarian Reform Law allows the designation of eligible beneficiaries other than the tenants of the landowners.<sup>128</sup> Hence, this Court declared CLOA No. 00114438/TCT No. T-802 as valid.<sup>129</sup> Its Decision attained finality on November 26, 2008.

Seven (7) months later, on June 30, 2009, Alcantara, et al. filed the Petition for Inclusion/Exclusion. They questioned the inclusion of petitioner's members as beneficiaries and recipients of Certificates of Land Ownership Award. They contended that the existing certificate holders were "outsiders" and have no connection with the Polo Coconut property.<sup>130</sup> Respondent took cognizance of the Petition and granted the Cease and Desist Order.

By that time, however, the September 3, 2008 Decision<sup>131</sup> had already become final and executory. Consequently, this Court affirmed the Department of Agrarian Reform's previous identification and designation of qualified agrarian reform beneficiaries, who were named in CLOA No. 00114438. The finality of this Decision meant that:

[T]he decrees thereof could no longer be altered, modified, or reversed even by the Court en banc. Nothing is more settled in law than that a judgment, once it attains finality, becomes immutable and unalterable, and can no longer be modified in any respect, even if the modification is meant to correct what is perceived to be an erroneous conclusion of fact or law, and regardless of whether the modification is attempted to be made by the court rendering it or by the highest court of the land. This rule rests on the principle that all litigation must come to an end, however unjust the result of error may appear; otherwise, litigation will become even more

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<sup>125</sup> Id.

<sup>126</sup> Id. at 79.

<sup>127</sup> Id. at 83.

<sup>128</sup> Id.

<sup>129</sup> Id.

<sup>130</sup> *Rollo*, p. 342.

<sup>131</sup> 586 Phil. 69 (2008) [Per J. Corona, First Division].

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intolerable than the wrong or injustice it is designed to correct.<sup>132</sup>  
(Citations omitted)

A certificate of title serves as evidence of an indefeasible title. The title becomes incontrovertible after expiration of the one (1)-year period from the issuance of the registration decree, upon which it was based.<sup>133</sup>

In *Estribillo v. Department of Agrarian Reform*,<sup>134</sup> the petitioners were issued emancipation patents and transfer certificates of title over parcels of land in Barangay Angas, Sta. Josefa, Agusan del Sur, with a total area of 527.83 hectares, from 1984 to 1988. The landholding was brought within the coverage of the Operation Land Transfer under Presidential Decree No. 27 upon the request of its previous owner, Hacienda Maria, Inc.

However, in December 1997, Hacienda Maria, Inc. filed 17 petitions before the Regional Agrarian Reform Adjudicator of CARAGA, Region XIII. These petitions sought the declaration of erroneous coverage under Presidential Decree No. 27 of 277.5008 hectares of its former landholdings. Hacienda Maria, Inc. claimed that the area was untenanted, and that it was not paid compensation for it. It sought that the emancipation patents covering the disputed area be canceled.

The Regional Agrarian Reform Adjudicator declared as void the transfer certificates of title and emancipation patents over the disputed area. The Adjudication Board affirmed this decision. The Court of Appeals dismissed petitioners' appeal on technicality, since the Verification and Certification against Forum Shopping was not signed by all petitioners.

This Court sustained the validity of the transfer certificates of title and emancipation patents. It held that certificates of title issued pursuant to emancipation patents are as indefeasible as transfer certificates of title issued in registration proceedings. Further, it ruled that the transfer certificates of title issued to the petitioners became indefeasible upon the expiration of one (1) year from the issuance of the emancipation patents. Thus:

*Ybañez v. Intermediate Appellate Court*, provides that certificates of title issued in administrative proceedings are as indefeasible as certificates of title issued in judicial proceedings:

....

The same confusion, uncertainty and suspicion on the distribution of government-acquired lands to the landless would arise if the possession

<sup>132</sup> *Land Bank of the Philippines v. Suntay*, 678 Phil. 879, 908-909 (2011) [Per J. Bersamin, First Division].

<sup>133</sup> *See Lebrudo v. Loyola*, 660 Phil. 456 (2011) [Per J. Carpio, Second Division].

<sup>134</sup> 526 Phil. 700 (2006) [Per J. Chico-Nazario, First Division].

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of the grantee of an EP would still be subject to contest, just because his certificate of title was issued in an administrative proceeding. The silence of Presidential Decree No. 27 as to the indefeasibility of titles issued pursuant thereto is the same as that in the Public Land Act where Prof. Antonio Noblejas commented:

Inasmuch as there is no positive statement of the Public Land Law, regarding the titles granted thereunder, such silence should be construed and interpreted in favor of the homesteader who come into the possession of his homestead after complying with the requirements thereof. Section 38 of the Land Registration Law should be interpreted to apply by implication to the patent issued by the Director of Lands, duly approved by the Minister of Natural Resources, under the signature of the President of the Philippines, in accordance with law.

After complying with the procedure, therefore, in Section 105 of Presidential Decree No. 1529, otherwise known as the Property Registration Decree (where the DAR is required to issue the corresponding certificate of title after granting an EP to tenant-farmers who have complied with Presidential Decree No. 27), the TCTs issued to petitioners pursuant to their EPs acquire the same protection accorded to other TCTs. “The certificate of title becomes indefeasible and incontrovertible upon the expiration of one year from the date of the issuance of the order for the issuance of the patent, . . . Lands covered by such title may no longer be the subject matter of a cadastral proceeding, nor can it be decreed to another person.”

. . . .

*The EPs themselves, like the Certificates of Land Ownership Award (CLOAs) in Republic Act No. 6657 (the Comprehensive Agrarian Reform Law of 1988), are enrolled in the Torrens system of registration. The Property Registration Decree in fact devotes Chapter IX on the subject of EPs. Indeed, such EPs and CLOAs are, in themselves, entitled to be as indefeasible as certificates of title issued in registration proceedings.*<sup>135</sup> (Emphasis supplied)

In *Heirs of Nuñez, Sr. v. Heirs of Villanoza*,<sup>136</sup> where the issue was the retention limit of the purported heirs of the landowner, this Court held:

Finally, the issuance of the title to Villanoza could no longer be revoked or set aside by Secretary Pangandaman. Acquiring the lot in good faith, Villanoza registered his Certificate of Land Ownership Award title under the Torrens system. He was issued a new and regular title, TCT No. NT-299755, in fee simple; that is to say, it is an absolute title, without qualification or restriction.

<sup>135</sup> *Estribillo v. Department of Agrarian Reform*, 526 Phil. 700, 717–719 (2006) [Per J. Chico-Nazario, First Division].

<sup>136</sup> G.R. No. 218666, April 26, 2017, < <http://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/63094> > [Per J. Leonen, Second Division].

*Estribillo v. Department of Agrarian Reform* has held that “certificates of title issued in administrative proceedings are as infeasible as [those] issued in judicial proceedings.” Section 2 of Administrative Order No. 03-09 provides that “[t]he State recognizes the infeasibility of [Certificate of Land Ownership Awards], [Emancipation Patents] and other titles issued under any agrarian reform program.”

Here, a Certificate of Land Ownership Award title was already issued and registered in Villanoza's favor on December 7, 2007. Villanoza's Certificate of Land Ownership Award was titled under the Torrens system on November 24, 2004. After the expiration of one (1) year, the certificate of title covering the property became irrevocable and infeasible. Secretary Pangandaman's August 8, 2007 Order, which came almost three (3) years later, was thus ineffective.<sup>137</sup>

Section 24 of the Comprehensive Agrarian Reform Law, as amended by Republic Act No. 9700, now explicitly provides that certificates of land ownership award, “being titles brought under the operation of the [T]orrens [S]ystem,” enjoy the same infeasibility and security afforded to all titles under the Torrens System:

Section 24. Award to beneficiaries. — The rights and responsibilities of the beneficiaries shall commence from their receipt of a duly registered emancipation patent or certificate of land ownership award and their actual physical possession of the awarded land. Such award shall be completed in not more than one hundred eighty (180) days from the date of registration of the title in the name of the Republic of the Philippines: Provided, That the emancipation patents, *the certificates of land ownership award, and other titles issued under any agrarian reform program shall be infeasible and imprescriptible after one (1) year from its registration with the Office of the Registry of Deeds, subject to the conditions, limitations and qualifications of this Act, the property registration decree, and other pertinent laws.* The emancipation patents or *the certificates of land ownership award being titles brought under the operation of the Torrens system, are conferred with the same infeasibility and security afforded to all titles under the said system, as provided for by Presidential Decree No. 1529, as amended by Republic Act No. 6732.*

It is the ministerial duty of the Registry of Deeds to register the title of the land in the name of the Republic of the Philippines, after the Land Bank of the Philippines (LBP) has certified that the necessary deposit in the name of the landowner constituting full payment in cash or in bond with due notice to the landowner and the registration of the certificate of land ownership award issued to the beneficiaries, and to cancel previous titles pertaining thereto.

Identified and qualified agrarian reform beneficiaries, based on Section 22 of Republic Act No. 6657, as amended, shall have usufructuary rights over the awarded land as soon as the DAR takes possession of such

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<sup>137</sup> Id.



land, and such right shall not be diminished even pending the awarding of the emancipation patent or the certificate of land ownership award.

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.

Here, by the time the Petition for Inclusion/Exclusion was filed on June 30, 2009, the September 3, 2008 Decision declaring the validity of CLOA No. 00114438 had attained finality and TCT No. T-802 had already become incontrovertible. As registered property owners, petitioner's members were entitled to the protection given to every Torrens title holder. Their rights may only be forfeited in case of violations of agrarian laws, as well as noncompliance with the restrictions and conditions under the Comprehensive Agrarian Reform Law.

### III

However, petitioner's assertion that respondent's cognizance of the Petition for Inclusion/Exclusion constituted defiance of the September 3, 2008 Decision does not lie.

In *Rivulet Agro-Industrial Corporation v. Paruñgao*,<sup>138</sup> this Court explained the concept of contempt of court:

Contempt of court is defined as a disobedience to the court by acting in opposition to its authority, justice, and dignity, and signifies not only *a willful disregard of the court's order, but such conduct which tends to bring the authority of the court and the administration of law into disrepute or, in some manner, to impede the due administration of justice.* To be considered contemptuous, an act must be clearly contrary to or prohibited by the order of the court. Thus, a person cannot be punished for contempt for disobedience of an order of the Court, unless the act which is forbidden or required to be done is clearly and exactly defined, so that there can be no reasonable doubt or uncertainty as to what specific act or thing is forbidden or required.<sup>139</sup> (Emphasis supplied)

The court's contempt power should be exercised with restraint and for a preservative, and not vindictive, purpose. "Only in cases of clear and contumacious refusal to obey should the power be exercised."<sup>140</sup>

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<sup>138</sup> 701 Phil. 444 (2013) [Per J. Perlas-Bernabe, Second Division].

<sup>139</sup> Id. at 452.

<sup>140</sup> *Bank of the Philippine Islands v. Calanza*, 647 Phil. 507, 514 (2010) [Per J. Nachura, Second Division].

In *Rivulet Agro-Industrial Corporation*, the Department officials' act of installing farmer-beneficiaries in Rivulet Agro-Industrial Corporation's landholding did not constitute an open defiance and disobedience of this Court's December 15, 2010 temporary restraining order in G.R. No. 193585. This Court held:

[W]hile the DAR was an intervenor in G.R. No. 193585, the December 15, 2010 TRO issued by the Court was only expressly directed against the LRA Administrator, the Register of Deeds of Negros Occidental and/or all persons acting upon their order or in their place and stead, and specifically for the following acts: "(a) from canceling Transfer Certificate of Title No. 105742 issued in favor of petitioner RIVULET Agro-Industrial Corporation; (b) from issuing a new certificate of title in the name of the Republic of the Philippines; (c) from issuing Certificate of Land Ownership Award in favor of anyone covering Hacienda Bacan, a 157.2992-hectare property situated in the Municipality of Isabela, Province of Negros Occidental; and (d) distributing such Certificate of Land Ownership Award that it may have heretofore issued pending trial on the merits." Clearly, the DAR and its officials were not among those enjoined. Neither can they be considered agents of the LRA Administrator and the Register of Deeds of Negros Occidental. Moreover, the installation of farmer-beneficiaries was not among the acts specifically restrained, negating the claim that the performance thereof was a contumacious act.<sup>141</sup>

Here, respondent justified his cognizance of the Petition for Inclusion/Exclusion based on the Department's exclusive prerogative in the identification, selection, and subsequent re-evaluation of agrarian reform beneficiaries.<sup>142</sup>

However, as earlier stated, the issue on the qualification of the existing Certificate of Land Ownership Award holders had long been laid to rest in this Court's final and executory September 3, 2008 Decision. Some of the petitioners in the inclusion/exclusion proceedings were even respondents in that case.<sup>143</sup>

Still, respondent's erroneous cognizance of the Petition for Inclusion/Exclusion can only be deemed as grave abuse of discretion, which is more properly the subject of a petition for certiorari, not a petition for contempt. "No one who is called upon to try the facts or interpret the law in the process of administering justice can be infallible in his judgment."<sup>144</sup>

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<sup>141</sup> *Rivulet Agro-Industrial Corp. v. Paruñgao*, 701 Phil. 444, 452-453 (2013) [Per J. Perlas-Bernabe, Second Division].

<sup>142</sup> *Rollo*, pp. 202 and 204.

<sup>143</sup> *Rollo*, pp. 344-345. Namely: Nole Alcantara, Zosimo Barba, Robert Bajana, Juvenal Mendez, Shiela Reyes, Prisco Baco, Benjamin Dayap, Antonio Dedeles, Narciso Diaz, Juveniano Reyes, Rodolfo Salva, Avelino Bajana, Praxedes Bajana, Alejandro Gimol, Herminigildo Villaflores, and Florencia Remollo.

<sup>144</sup> *Bank of the Philippine Islands v. Calanza*, 647 Phil 507, 516 (2010) [Per J. Nachura, Second Division].

At any rate, whether respondent's actions were improper is not an issue here. What is crucial in contempt proceedings is the intent of the alleged contemnor to disobey or defy the court as held in *St. Louis University, Inc. v. Olarez*:<sup>145</sup>

In contempt, the intent goes to the gravamen of the offense. Thus, the good faith or lack of it, of the alleged contemnor is considered. Where the act complained of is ambiguous or does not clearly show on its face that it is contempt, and is one which, if the party is acting in good faith, is within his rights, the presence or absence of a contumacious intent is, in some instances, held to be determinative of its character. . . . *To constitute contempt, the act must be done wil[l]fully and for an illegitimate or improper purpose.*<sup>146</sup> (Emphasis in the original, citations omitted)

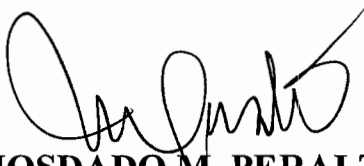
All told, this Court finds no clear and contumacious conduct on the part of respondent. His acts do not qualify as a willful disobedience to this Court nor a willful disregard of its authority.

**WHEREFORE**, the Petition for Contempt is **DISMISSED** for lack of merit.


**SO ORDERED.**

  
MARVIC M.V.F. LEONEN  
Associate Justice

WE CONCUR:

  
DIOSDADO M. PERALTA  
Associate Justice  
Chairperson

  
ANDRES B. REYES, JR.  
Associate Justice

  
RAMON PAUL L. HERNANDO  
Associate Justice

<sup>145</sup> 730 Phil. 444 (2014) [Per J. Mendoza, Third Division].

<sup>146</sup> Id. at 461.

  
**ROSMARI D. CARANDANG**  
Associate Justice

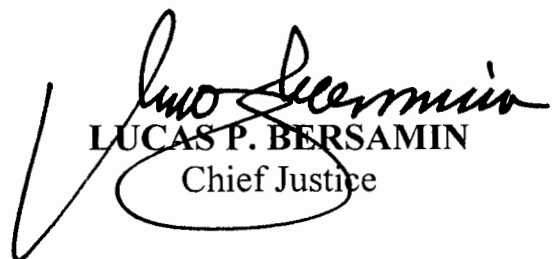
**ATTESTATION**

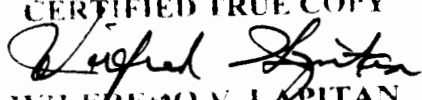
I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

  
**DIOSDADO M. PERALTA**  
Associate Justice  
Chairperson

**CERTIFICATION**

Pursuant to Section 13, Article VIII of the Constitution and the Division 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.

  
**LUCAS P. BERSAMIN**  
Chief Justice

**CERTIFIED TRUE COPY**  
  
**WILFREDO V. LAPITAN**  
Division Clerk of Court  
Third Division

MAY 07 2019