



Republic of the Philippines
Supreme Court
 Manila

FIRST DIVISION

**RICARIDO* GOLEZ, in his own
 behalf and his children CRISPINO
 GOLEZ, ISIDRO GOLEZ, EMMA G.
 DE LOS SANTOS, HELEN G.
 CABECO, VICTORIA G. NORBE,**
 ANTERO GOLEZ, SIMON GOLEZ
 and GRACE G. BACLAY, in
 substitution of the deceased
 PRESENTACION GOLEZ,
 Petitioners,**

G.R. No. 191376

Present:

PERALTA, *C.J., Chairperson,*
 CAGUIOA,
 J. REYES, JR.,
 LAZARO-JAVIER, and
 LOPEZ, * *JJ.*

- versus -

MARIANO ABAIS,**
 Respondent.

Promulgated:

JAN 08 2020

x - - - - -

DECISION

CAGUIOA, J.:

The Case

This is a petition for review on *certiorari*¹ (Petition) filed under Rule 45 of the Rules of Court against the Decision² dated August 13, 2009 (assailed Decision) and Resolution³ dated February 5, 2010 (assailed Resolution) in CA-G.R. SP No. 101793 rendered by the Court of Appeals (CA), Eighth Division and Former Eighth Division, respectively.

The assailed Decision and Resolution upheld respondent Mariano Abais' (Mariano) claim of possession over the disputed lots situated in

* Also appears as "Ricardo" in some parts of the *rollo*.
 ** Also appears as "Nobre" in some parts of the *rollo*.
 *** Also appears as "Abaes" in some parts of the *rollo*.

* On official leave.

¹ *Rollo*, pp. 14-32.

² *Id.* at 34-42. Penned by Associate Justice Arcangelita M. Romilla-Lontok, with Associate Justices Josefina Guevara-Salonga and Romeo F. Barza concurring.

³ *Id.* at 44-45.

Barangay Jalaud Norte, Zarraga, Iloilo, denominated as Lots 28 and 29⁴ (disputed lots).

The Facts

The antecedents, as narrated by the Department of Agrarian Reform Adjudication Board (DARAB) Provincial Adjudicator for Iloilo, are as follows:

On March 16, 2001, [Presentacion Golez (Presentacion)] filed this case against her brother-in-law, [respondent Mariano], for ejectment from [the disputed lots] at Barangay Jalaud Norte, Zarraga[,] and for recovery of damages.

In her Complaint[, Presentacion] allege[d] x x x that: she is the eldest daughter of the late Ireneo⁵ Deocampo [Ireneo], an Operation Land Transfer [(OLT)] beneficiary of [the disputed lots] with areas of 1.1325 hectares and 0.0835 hectare, respectively, at Barangay Jalaud Norte, Zarraga, Iloilo; [Mariano] is the husband of her late younger sister, Vicenta Deocampo Abais [(Vicenta)], who illegally possessed [the disputed lots] and mortgaged the same to a certain Enrique Pilla; after the death of her sister, [Presentacion] tried to recover possession from [Mariano] who refused to acknowledge [Presentacion's] action; **[Presentacion's] petition to be identified as qualified beneficiary of [the disputed] lots was granted in the Order of the DAR Regional Director dated May 31, 1999; her petition for re-allocation was likewise granted in the Order of the DAR Regional Director dated December 11, 2000; despite these administrative resolutions[, Mariano] refused to vacate x x x the [disputed lots];** since the death of her father, [Presentacion] was deprived of the possession of [the disputed lots] and her lawful share [in the produce] of about 1,000 sacks of palay.

[Presentacion thus prayed that Mariano], his priv[ies] or any person acting in his behalf, be ordered to vacate [the disputed lots] and deliver to her and maintain her in the peaceful po[s]session and cultivation thereof. Recovery of damages [was also] prayed for.

[Mariano denied Presentacion's] claim x x x; he admit[ted] [that he is] the husband of [Presentacion's] younger sister but denie[d] that his possession is illegal; **[he claimed that] his possession is by virtue of being a tenant as decided by at least three [(3)] decisions of the Regional Trial Court [(RTC)] and the DARAB;** he ha[d] been in continuous cultivation of the land for more than thirty [(30)] years and denie[d] having mortgaged the same to a certain Enrique Pilla; he admit[ted] his refusal to turn over the land because he had continuously worked thereon for more than [thirty (30)] years and had fully paid its amortization with the Land Bank of the Philippines, while [Presentacion] ha[d] neither cultivated nor possessed the land nor paid a single centavo for its amortization.

[Mariano] admit[ted] the existence of the Orders of May 31, 1999 and December 11, 2000 of the DAR Regional Director but denie[d] that he

⁴ Id. at 35.

⁵ Also appears as "Ireneo" in some parts of the *rollo*.

ha[d] been notified thereof[; h]e denie[d] the truthfulness of [Presentacion's] [allegations] which were false and misrepresentations. Further, [Mariano claimed that] the Order[s were] contrary to law and the facts of the case being the result of falsehoods.

As special and affirmative defenses, [Mariano] aver[red] that [Presentacion] has no cause of action against him; the case is barred by res judicata, conclusiveness of judgment and law of the case; **the RTC in Civil Case N[o]. [16094], entitled *Catalina Deocampo vs. Mariano Abais and Vicenta Abais*, rendered a Decision on October 24, 1986 declaring him and his late wife Vicenta as the actual tillers of [the disputed lots] and as such they are protected by security of tenure, which RTC decision was affirmed by the [CA in CA-G.R. CV No. 13897⁶]; [Presentacion] herein filed DARAB Case No. 603 for recovery of possession against [Mariano's] wife Vicenta but the case was dismissed in a decision dated August 28, 1996 on the ground of res judicata; **DARAB Case N[o]. VI-725-IL-99 was filed by [Presentacion] against [Mariano] for reinstatement but this was dismissed in the Order dated November 29, 1999.****

[Mariano] pray[ed] for the dismissal of the complaint x x x [and sought] recovery of moral damages, attorney's fees and litigation expenses.⁷ (Emphasis supplied)

DARAB Proceedings

On July 25, 2001, Provincial Adjudicator Erlinda S. Vasquez (PA Vasquez) issued a Decision⁸ declaring Presentacion as the lawful possessor and cultivator of the disputed lots as farmer-beneficiary. Accordingly, PA Vasquez ordered Mariano and all his privies to peacefully vacate the disputed lots and deliver them to Presentacion.⁹

PA Vasquez based her Decision on the *Rules and Regulations in Case of Death of a Tenant-Beneficiary* set forth in Ministry Memorandum Circular No. 19, series of 1978 (MC 19) issued by the then Ministry of Agrarian Reform (MAR).¹⁰ Said Decision reads:

It is clear that [the disputed lots] at Barangay Jalaud Norte, Zarr[a]ga, Iloilo x x x have been placed by the DAR under [OLT] pursuant to [Presidential Decree No. 27¹¹ (PD 27)] wherein the late [Ireneo], father of [Presentacion] and father-in-law of [Mariano], was identified as qualified beneficiary and became a recipient of Certificates of Land Transfer [(CLTs)] covering these lots.

⁶ See CA Decision dated August 14, 1989, id. at 87-88. Appears as "CA-G.R. CV No. 13891" in some parts of the *rollo*.

⁷ *Rollo*, pp. 59-61.

⁸ Id. at 59-67.

⁹ Id. at 67.

¹⁰ Id. at 63.

¹¹ DECREETING THE EMANCIPATION OF TENANTS FROM THE BONDAGE OF THE SOIL, TRANSFERRING TO THEM THE OWNERSHIP OF THE LAND THEY TILL AND PROVIDING THE INSTRUMENTS AND MECHANISM THEREFOR (TENANTS EMANCIPATION DECREE), October 21, 1972.

When these [disputed lots] were placed under OLT[,], these were tenanted by the late [Ireneo as] evidenced by the [CLTs] issued in his name. [As] a CLT holder[, Ireneo] was prohibited from the employment and use of tenants in whatever form in the occupation and cultivation of the land. This negates [Mariano's] contention that he and his late wife, [Vicenta] "were already in possession of the lots in question and had been cultivating the same exclusively as tenants since 1970 x x x." At most, [Mariano] and his late wife [Vicenta] were members of [Ireneo's] immediate farm household who helped him in the cultivation of the land.

[The disputed lots] being covered by [OLT], succession thereto is governed by [MC 19] x x x which provides for the **Rules and Regulations in Case of Death of a Tenant-Beneficiary**, thus:

"x x x x

- b. Where there are several heirs, and in the absence of extrajudicial settlement or waiver of rights in favor of one heir who shall be the sole owner and cultivator, the heirs shall within one month from death of the tenant-beneficiary be free to choose from among themselves one who shall have sole ownership and cultivation of the land, subject to paragraph 1(b) and (c) hereof;

Provided, however, That the surviving spouse shall be given first preference; otherwise, **in the absence or due to permanent incapacity of the surviving spouse, priority shall be determined among the heirs according to age.**

- c. **In case of disagreement or failure of the heirs to determine who shall be the owner-cultivator within the period prescribed herein, the priority rule under the proviso of paragraph 2(b) shall apply."**

Corollary thereto, Ministry Memorandum Circular No. 5, Series of 1984 has this to say:

"x x x x

In order to expedite the reallocation of lands left by deceased beneficiaries, **all MAR Regional Directors are hereby authorized to confirm the selection of the sole owner-cultivator made by the surviving heirs or in appropriate cases, to designate such sole owner-cultivator."**

Having been vested with the authority to determine the successor, as sole owner-cultivator, to this OLT-covered farmholding left by farm[e]r-beneficiary [Ireneo] who died in 1984, the DAR Regional Director, acting on [Presentacion's] LETTER REQUEST FOR IDENTIFICATION AND QUALIFICATION AS FARMER-BENEFICIARY OF [THE DISPUTED LOTS] LOCATED AT BRGY. JALAUD NORTE, ZARRAGA, ILOILO [(Letter-request)], issued an Order dated [May 31, 1999] the dispositive portion of which reads:

“WHEREFORE, premises considered, ORDER is hereby issued:

x x x Declaring [Presentacion] as the qualified farmer-beneficiary of [the disputed lots];

x x x x”

and which became final and executory as appearing in the ORDER OF FINALITY dated August 10, 1999.

Accordingly, [Presentacion] filed a PETITION FOR REALLOCATION covering these lots and on December 11, 2000 the DAR Regional Director issued an Order granting [said petition] x x x which became final and executory as appearing in the ORDER OF FINALITY dated January 4, 2001.

It must be emphasized that [Mariano] was never an heir of his father-in-law, farmer-beneficiary and CLT holder [Ireneo] who died in 1984.

In the case of [Torres v. Ventura¹²], it was held that “title to land acquired pursuant to [PD 27] or the land reform program of the government shall not be transferable except by hereditary succession or to the Government in accordance with the provisions of [PD 27], the Code of Agrarian Reforms and other existing laws and regulations.” It further explained that “a title refers not only to that issued upon compliance by the tenant-farmer of the said conditions but also includes those rights and interests that the tenant-farmer immediately acquired upon the promulgation of the law.” x x x

[Mariano’s] late wife, [Vicenta], although one of the heirs of CLT holder [Ireneo], never applied to be, and [was never] identified as, the qualified successor of her father, and [the disputed] lots were never allocated in her favor by the DAR. Had it been otherwise, it would have qualified [Mariano] to succeed her in his own right in accordance with [MC 19]. As it had been, the DAR, through the Regional Director, pronounced and identified Ireneo’s eldest child, [Presentacion], as his qualified successor, and [the disputed lots] were reallocated to her x x x. It was only then that the [CLTs] issued to the original farmer-beneficiary, [Ireneo], were “RECALLED/CANCELLED”.

x x x x

It must always be borne in mind that [the disputed lots have] never been removed from the coverage of [the OLT], the disposition of which is within the exclusive authority of the DAR and cannot be disposed of from one holder to another without its approval.¹³ (Emphasis and underscoring supplied; italics omitted; citations omitted)

PA Vasquez dismissed Presentacion’s claim for damages, as well as Mariano’s counter-claim for damages, attorney’s fees and litigation expenses.¹⁴

¹² 265 Phil. 99, 107 and 108 (1990).

¹³ *Rollo*, pp. 63-66.

¹⁴ *Id.* at 67.

Mariano filed an appeal with the DARAB, which the latter denied in its Decision¹⁵ dated January 31, 2007 (DARAB Decision). Mariano's subsequent motion for reconsideration was also denied on September 11, 2007.¹⁶

CA Proceedings

Aggrieved, Mariano filed an appeal with the CA *via* Rule 43 of the Rules of Court.¹⁷ Primarily, Mariano argued that the DARAB Decision is barred by *res judicata*, inasmuch as two prior judgments of the Regional Trial Court (RTC) and another issued by the DARAB have already upheld his right to possess and cultivate the disputed lots as tenant.¹⁸

In the interim, Presentacion passed away. Hence, she was substituted by her husband Ricarido Golez and their children, namely, Crispino Golez, Isidro Golez, Antero Golez, Simon Golez, Emma G. De Los Santos, Helen G. Cabeco, Victoria G. Norbe and Grace G. Baclay (collectively, Petitioners).¹⁹

On August 13, 2009, the CA issued the assailed Decision granting Mariano's appeal in part.

Contrary to the DARAB Decision, the CA held that Mariano is entitled to possession of the disputed lots as **co-owner**. The CA anchored its ruling on the principle of *res judicata*, in view of the prior judgments recognizing Vicenta and Mariano as lawful tenants of the disputed lots, particularly:

1. The Decision²⁰ dated October 24, 1986 (October 1986 RTC Decision) rendered by the RTC in Civil Case No. 16094, a complaint for recovery of possession and damages filed by Ireneo's second wife Catalina Meder *vda.* de Deocampo (Catalina)²¹ against Vicenta and Mariano, which decision was later affirmed by the CA in CA-G.R. CV No. 13897;
2. The Decision²² dated August 28, 1996 (August 1996 PA Decision) rendered by Provincial Agrarian Reform Adjudicator Manuel Traviña (PA Traviña) in DARAB Case No. 603, a complaint for recovery of possession and damages filed by Presentacion against Vicenta; and

¹⁵ Id. at 70-75. Penned by Vice-Chairman Augusto P. Quijano, with the concurrence of Members Delfin B. Samson, Edgar A. Igano and Patricia Rualo-Bello; Chairman Nasser C. Pangandaman and Members Nestor R. Acosta and Narciso B. Nieto, took no part.

¹⁶ Id. at 36.

¹⁷ Id. at 34.

¹⁸ See id. at 36.

¹⁹ Id. at 34.

²⁰ Id. at 81-85. Penned by Judge Jesus V. Ramos.

²¹ See id. at 81.

²² Id. at 76-78.



3. The Decision dated July 25, 2001 rendered by PA Vasquez in DARAB Case No. VI-1342-IL-01, the complaint for ejectment and damages subject of this Petition.

Hence, the CA held, as follows:

As had been aptly found by the [CA], speaking through then Justice Nicolas P. Lapeña, Jr. in the decision in CA-G.R. CV No. 1389[7] promulgated on August 14, 1989, “when Ireneo, the registered owner, died, the land went to his heirs, namely, his wife, [Catalina] and his daughter, [Vicenta] by right of succession. [Mariano and Vicenta] were therefore justified in claiming the right to work on the land as co-owners thereof. Moreover, as pointed out by the trial court, it is undisputed that [Mariano and Vicenta] have been the ones actually cultivating the land in question even when Ir[e]neo was still living until he died in 1983 and up to the present. Thus, [Mariano and Vicenta] are not only co-owners, but actual cultivators of the land in question who are covered by the security of tenure provision of PD 27 which was issued in 1972, when [Mariano and Vicenta] were already in actual cultivation of the land in question.

[The CA] did not fail to note that when [Ireneo] died, he was not merely a tenant over [the disputed lots]. He was already the registered owner thereof. What he bequeathed to his heirs upon his death, therefore, was the right of succession as owners—not as [tenants]. [Vicenta], [Mariano’s] wife, was one of the children of [Ireneo] who, thus, succeeded her father as one of the owners of [the disputed lots]. Upon Vicenta’s death, her surviving spouse Mariano became a co-owner of said lots by the right of succession. A co-owner cannot be ejected from any property an aliquot part of which he owns.²³ (Emphasis supplied)

Nevertheless, the CA affirmed the denial of the parties’ monetary claims due to lack of evidence.²⁴

Petitioners filed a motion for reconsideration coupled with a motion to admit the same on December 16, 2009, 98 days²⁵ following the expiration of their fifteen (15)-day reglementary period. Accordingly, the CA denied both motions for being filed out of time through the assailed Resolution.²⁶

Petitioners received a copy of the assailed Resolution on February 17, 2010.²⁷

On March 2, 2010, Petitioners filed an *Urgent Motion for Extension of Time to File Petition for Review*.²⁸ Therein, Petitioners prayed for an additional period of fifteen (15) days from March 4, 2010, or until March 19, 2010, to file their petition for review.

²³ Id. at 40-41.

²⁴ Id. at 41.

²⁵ However, the CA Resolution mentions 68 days.

²⁶ *Rollo*, pp. 44-45.

²⁷ Id. at 15.

²⁸ Id. at 3-10.

This Petition was filed on March 19, 2010.

In compliance with the Court's Resolution²⁹ dated April 26, 2010, Mariano filed his Comment³⁰ to the Petition. In turn, Petitioners filed their Reply³¹ thereto on December 20, 2010.

Foremost, Petitioners fault the CA for declaring Mariano as co-owner and lawful possessor of the disputed lots on the basis of the October 1986 RTC and August 1996 PA Decisions. In so ruling, Petitioners claim that the CA erroneously applied the principle of *res judicata*.

Instead, Petitioners maintain that the DAR Regional Director's Orders identifying Presentacion as the qualified successor of her father Ireneo and reallocating the disputed lots in her favor should be respected, as they were issued pursuant to the DAR Regional Director's authority to "select a qualified [f]armer[-b]eneficiary [in accordance with the a]dministrative rules and regulations promulgated to implement [the OLT program under PD 27]."³²

The Issue

The sole issue for the Court's resolution is whether the CA erred when it declared Mariano to be a lawful possessor of the disputed lots as co-owner.

The Court's Ruling

The Petition is granted.

The transfer of farmholdings upon death of the farmer-beneficiary is governed by MC 19.

PD 27 was issued in 1972 for the declared purpose of emancipating farmer-tenants of private agricultural lands by transferring ownership of such lands in their favor.

On the transferability of ownership of awarded land, PD 27 provides:

Title to land acquired pursuant to this Decree or the Land Reform Program of the Government **shall not be transferable except by hereditary succession** or to the **Government in accordance with the provisions of this Decree, the Code of Agrarian Reforms and other existing laws and regulations**[.] (Emphasis supplied)

²⁹ Id. at 90-91.

³⁰ Id. at 96-102.

³¹ Id. at 146-151.

³² Id. at 24-25.



The disputed lots had been granted to the original farmer-beneficiary Ireneo pursuant to PD 27. Accordingly, the transferability of said lots upon Ireneo's death remained subject to the limitation set forth under PD 27, *that is*, the disputed lots would be transferable *only* "by hereditary succession or to the Government in accordance with the provisions of [PD 27], the Code of Agrarian Reforms and other existing laws and regulations."³³

In this connection, the MAR (now DAR) promulgated the *Rules and Regulations in Case of Death of a Tenant-Beneficiary* set forth in MC 19. MC 19 implemented the limitation on transferability set forth in PD 27 for the purpose of carrying out the Government's declared policy of establishing "owner-cultivatorship x x x as the basis of agricultural development of the country."³⁴

The pertinent provisions of MC 19 state:

1. **Succession to the farmholding covered by [OLT], shall be governed by the pertinent provisions of the New Civil Code of the Philippines subject to the following limitations:**

x x x x

- b. **The ownership and cultivation of the farmholding shall ultimately be consolidated in one heir who possesses the following qualifications:**

- (1) being a full-fledged member of a duly recognized farmers' cooperative;
- (2) capable of personally cultivating the farmholding; and
- (3) willing to assume the obligations and responsibilities of a tenant-beneficiary.

- c. **Such owner-cultivator shall compensate the other heirs to the extent of their respective legal interest in the land**, subject to the payment of whatever outstanding obligations of the deceased tenant-beneficiary.

2. For the purpose of determining who among the heirs shall be the sole owner-cultivator, the following rules shall apply:

x x x x

- b. **Where there are several heirs, and in the absence of extra-judicial settlement or waiver of rights in favor of one heir who shall be the sole owner and cultivator, the heirs shall within one month from death of the tenant-beneficiary be free to choose**

³³ PD 27, TENANTS EMANCIPATION DECREE.

³⁴ See policy declaration in MC 19.

from among themselves one who shall have sole ownership and cultivation of the land, subject to Paragraph 1(b) and (c) hereof: *Provided*, however, That the surviving spouse shall be given first preference; **otherwise, in the absence or due to the permanent incapacity of the surviving spouse, priority shall be determined among the heirs according to age.**

- c. **In case of disagreement or failure of the heirs to determine who shall be the owner-cultivator within the period prescribed herein, the priority rule under the *proviso* of Paragraph 2(b) hereof shall apply.** (Emphasis and underscoring supplied)

Under MC 19, while the succession or transfer of farmholdings granted under PD 27 recognized the pertinent provisions of the Civil Code on succession, such was subject to certain limitations. Accordingly, even as the successional rights of the original farmer-beneficiary were recognized, MC 19 prescribed the manner through which the succeeding sole owner-cultivator should be identified — as this was aligned with the purpose of carrying out PD 27’s policy of establishing a system of “owner-cultivatorship.”³⁵

So as not to impair the legitimes of the farmer-beneficiary’s other compulsory heirs under the Civil Code, MC 19 thus required the succeeding sole owner-cultivator to compensate the original farmer-beneficiary’s *other* compulsory heirs, to the extent of their respective legal interests in the farmland as of the death of the original farmer-beneficiary.³⁶

The intent of this rule is analogous to that of Article 1080 of the Civil Code, which provides:

ART. 1080. Should a person make a partition of his estate by an act *inter vivos*, or by will, such partition shall be respected, insofar as it does not prejudice the legitime of the compulsory heirs.

A parent who, in the interest of his or her family, desires to keep any agricultural, industrial, or manufacturing enterprise intact, may avail himself of the right granted him in this article, by ordering that the legitime of the other children to whom the property is not assigned, be paid in cash. (Emphasis supplied)

Presentacion is the qualified sole owner-cultivator under PD 27.

Consistent with the procedure set forth in MC 19, Petitioners’ predecessor-in-interest Presentacion filed her Letter-request and Petition for Reallocation with the DAR Regional Director. Presentacion’s Letter-request

³⁵ See MC 19.

³⁶ See CIVIL CODE, Art. 777.



and Petition for Reallocation were successively granted through the DAR Regional Director's Orders dated May 31, 1999³⁷ and December 11, 2000.³⁸ In turn, these Orders became final on August 10, 1999³⁹ and January 4, 2001,⁴⁰ respectively.

Mariano does not dispute that Presentacion was the oldest surviving heir of Ireneo at the time of the latter's death. He also does not assail that Presentacion possessed the qualifications necessary to succeed Ireneo as new owner-cultivator under MC 19. Thus, in the absence of any extra-judicial settlement assigning in Vicenta's (Mariano's wife) favor the priority right to become sole owner and cultivator of the disputed lots, her husband Mariano's claim of possession is left with no leg to stand on.

Nevertheless, Presentacion, as lawful successor of Ireneo and new owner-cultivator of the disputed lots, was bound to compensate Ireneo's other compulsory heirs to the extent of their respective legal interests in the disputed lots, subject to the payment of whatever outstanding obligations the deceased farmer-beneficiary might still have, as required by MC 19.⁴¹ This obligation to compensate Ireneo's other compulsory heirs now falls upon Petitioners, as successors-in-interest of the late Presentacion.

However, the Court recognizes that the identification of Ireneo's other heirs and the determination of their respective interests in the disputed lots as well as their obligations to said deceased farmer-beneficiary are factual matters which cannot be resolved in a petition for review. Accordingly, the Court deems it proper to remand the case to the DAR Regional Director, the latter having primary jurisdiction over all matters relating to the implementation of agrarian laws.⁴²

Res judicata does not apply.

The assailed Decision and Resolution affirmed Mariano's claim of possession on the ground of *res judicata*, and cites as basis, previous judgments awarding possession of the disputed lots in Mariano's favor. Accordingly, an examination of the principle of *res judicata* as a bar by prior judgment is in order. On this score, *Dela Rosa v. Mercado*⁴³ is instructive:

A prior decision is conclusive in a second suit where the elements of *res judicata* are present. For a prior judgment to constitute a bar to a subsequent case, the following requisites must concur:

³⁷ *Rollo*, pp. 46-50.

³⁸ *Id.* at 54-55.

³⁹ See Order of Finality dated August 10, 1999, *id.* at 51-53.

⁴⁰ See Order of Finality dated January 4, 2001, *id.* at 56-58.

⁴¹ The relevant provision states:

c. Such owner-cultivator shall compensate the other heirs to the extent of their respective legal interest in the land, subject to the payment of whatever outstanding obligations of the deceased tenant-beneficiary.

⁴² See Rule II, Sec. 6, DAR Administrative Order No. 03, series of 2017, entitled "2017 RULES FOR AGRARIAN LAW IMPLEMENTATION (ALI) CASES," May 22, 2017.

⁴³ 286 Phil. 341 (1992).

- a. it must be a final judgment or order;
- b. the court rendering the same must have jurisdiction over the subject matter and over parties;
- c. there must be between the two cases identity of parties, identity of subject matter and identity of causes of action; and
- d. it must be a judgment or order on the merits.⁴⁴

To recall, the previous judgments which the CA recognized as basis to apply the principle of *res judicata* are the October 1986 RTC Decision, the August 1996 PA Decision and the Decision rendered by PA Vasquez from which this Petition stems.

The October 1986 RTC Decision resolved a complaint for recovery of possession and damages filed by Ireneo's second wife Catalina against Mariano and Vicenta, who, at that time, was still alive. Therein, Catalina claimed that she was entitled to possession of the disputed lots as CLT holder. The issue thus raised in said case was whether Catalina could lawfully eject Mariano and Vicenta from the disputed lots.⁴⁵ The RTC ruled in the negative, as Catalina failed to produce her alleged CLT. In fact, during the course of the RTC proceedings, both parties admitted that the only CLT issued over the disputed lots was the one issued in favor of Ireneo⁴⁶ — the very same one relied upon by Presentacion, and now, by Petitioners.

On the other hand, the August 1996 PA Decision resolved a complaint for recovery of possession and damages between Presentacion and Vicenta. Therein, PA Traviña dismissed Presentacion's complaint primarily on the ground of lack of jurisdiction, holding as follows:

This Adjudicator finds merit in [Vicenta's] position on the jurisdictional incompetence of the Adjudication Board to hear and decide this case x x x. Definitely, this case is infused with a valid issue of tenancy: the question of who among the heirs of the late tenant-beneficiary [Ireneo] should take over the [disputed lots] he left behind.

And **this tenancy issue is met squarely by [MC 19] providing for the *Rules and Regulations in Case of Death of a Tenant-Beneficiary* and making the whole process one of administrative concern cognizable only by the DAR Secretary through the Department's Regional and local field offices.**⁴⁷ (Emphasis and italics supplied)

Taking her cue from the August 1996 PA Decision, Presentacion later filed her Letter-request and Petition for Reallocation with the DAR Regional Director which, as earlier stated, were both granted.

⁴⁴ Id. at 345-346.

⁴⁵ *Rollo*, p. 84.

⁴⁶ Id.

⁴⁷ Id. at 77.



Close scrutiny of the foregoing judgments confirms that they do not serve as proper basis to apply the principle of *res judicata*.

The October 1986 RTC Decision involved a different party-plaintiff who asserted an entirely different cause of action.

Moreover, while the August 1996 PA Decision involved the same parties who raised issues similar to those raised in this case, said Decision does not constitute a judgment on the merits which would operate to bar the resolution of the substantive issues in a subsequent case, inasmuch as it was premised primarily on lack of jurisdiction — recognizing, in fact, that the “question of who among the heirs of the late tenant-beneficiary [Ireneo] should take over the [disputed lots] he left behind”⁴⁸ was an administrative concern cognizable only by the DAR Secretary.

As well, it is equally evident that the Decision rendered by PA Vasquez in DARAB Case No. VI-1342-IL-01 cannot prompt the application of *res judicata*. Considering that said Decision is the subject of this present Petition, it cannot, by any means, be deemed a final judgment on the merits.

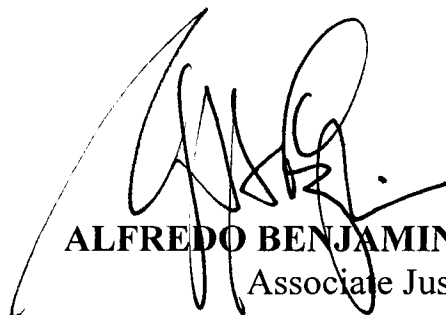
Hence, contrary to Mariano’s insistence, *res judicata* does not apply in the present case.

WHEREFORE, premises considered, the Petition is **GRANTED**. The Decision dated August 13, 2009 and Resolution dated February 5, 2010 rendered by the Court of Appeals, Eighth Division and Former Eighth Division, respectively, in CA-G.R. SP No. 101793 are **REVERSED and SET ASIDE**.

The Decision dated January 31, 2007 rendered by the Department of Agrarian Reform Adjudication Board in DARAB Case No. 11191 (Reg. Case No. VI-1342-IL-01) is **REINSTATED**.

This case is remanded to the Regional Director of the Department of Agrarian Reform for proper determination of the compensation due to the other heirs of the original farmer-beneficiary Ireneo Deocampo, consistent with the provisions of Ministry Memorandum Circular No. 19, series of 1978.


SO ORDERED.

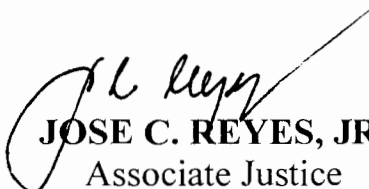


ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

⁴⁸ Id.

WE CONCUR:


DIOSDADO M. PERALTA
Chief Justice
Chairperson



JOSE C. REYES, JR.
Associate Justice


AMY C. LAZARO-JAVIER
Associate Justice

(On official leave)
MARIO V. LOPEZ
Associate Justice

CERTIFICATION

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


DIOSDADO M. PERALTA
Chief Justice

