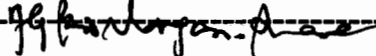


EN BANC

**G.R. No. 158464 – JOCELYN S. LIMKAICHONG, Petitioner, v. LAND BANK OF THE PHILIPPINES, DEPARTMENT OF AGRARIAN REFORM, REPRESENTED BY THE SECRETARY OF AGRARIAN REFORM, THROUGH THE PROVINCIAL AGRARIAN REFORM OFFICER, Respondents.**

**Promulgated:**

August 2, 2016

X----------X

**SEPARATE CONCURRING OPINION**

**LEONEN, J.:**

I concur with the ponencia. The original and exclusive jurisdiction of Special Agrarian Courts to determine just compensation should not be superseded by an executive determination. Therefore, provisions that limit the period when landowners can assert their right to just compensation should be struck down for being outside the constitutional confines of the eminent domain powers of the state.

The ponencia correctly upheld the doctrine in *Export Processing Zone Authority v. Dulay*.<sup>1</sup> The valuation of the Department of Agrarian Reform is merely preliminary.<sup>2</sup> It is even superfluous since the determination of just compensation is a settled role of the judiciary.<sup>3</sup> Nevertheless, Section 16 of Republic Act No. 6657<sup>4</sup> allows the Department of Agrarian Reform to conduct a summary administrative proceeding to determine just compensation. The most relevant portion of this procedure is paragraph (f), which states that “[a]ny party who disagrees with the decision may bring the matter to the court of proper jurisdiction for final determination of just compensation.”<sup>5</sup>

On the jurisdiction over petitions for the determination of just compensation, Section 57 of Republic Act No. 6657 provides:

**SECTION 57. *Special Jurisdiction.*** — The Special Agrarian Courts shall have *original and exclusive jurisdiction* over all *petitions for the determination of just compensation to landowners*, and the prosecution

<sup>1</sup> 233 Phil. 313 (1987) [Per J. Gutierrez, Jr., En Banc].

<sup>2</sup> Id. at 326.

<sup>3</sup> Id.

<sup>4</sup> Rep. Act No. 6657 is otherwise known as the Comprehensive Agrarian Reform Law of 1988.

<sup>5</sup> Rep. Act No. 6657 (1988), sec. 16(f).



of all criminal offenses under this Act. The Rules of Court shall apply to all proceedings before the Special Agrarian Courts, unless modified by this Act.

The Special Agrarian Courts shall decide all appropriate cases under their special jurisdiction within thirty (30) days from submission of the case for decision. (Emphasis supplied)

Thus, Regional Trial Courts sitting as Special Agrarian Courts have “*original and exclusive jurisdiction* over all petitions for the determination of just compensation to landowners.”<sup>6</sup> The jurisdiction is *original*, which means that petitions for determination of just compensation may be initiated before Special Agrarian Courts. The jurisdiction is *exclusive*, which means that no other court or quasi-administrative tribunal has the same original jurisdiction over these cases.<sup>7</sup> There are no ambiguities in Section 57. No administrative process can subvert this grant of original and exclusive jurisdiction to Special Agrarian Courts.

The right to just compensation is constitutionally enshrined. Article III, Section 9 of the Constitution states that “[p]rivate property shall not be taken for public use without just compensation.”<sup>8</sup> Article XIII, Section 4<sup>9</sup> of the Constitution also recognizes the landowner’s right to just compensation. As a constitutional right, the determination of just compensation is ultimately a judicial matter. Thus, in *Export Processing Zone Authority*:

The determination of “just compensation” in eminent domain cases is a judicial function. The executive department or the legislature may make the initial determinations but when a party claims a violation of the guarantee in the Bill of Rights that private property may not be taken for public use without just compensation, no statute, decree, or executive order can mandate that its own determination shall prevail over the court’s findings. Much less can the courts be precluded from looking into the “just-ness” of the decreed compensation.<sup>10</sup>

Section 57, which vests in the courts original and exclusive jurisdiction to determine just compensation, is consistent with the Constitution.

---

<sup>6</sup> Rep. Act No. 6657 (1988), sec. 57.

<sup>7</sup> *Ong v. Parel*, 240 Phil. 734, 742–743 (1987) [Per J. Gutierrez, Jr., Third Division].

<sup>8</sup> CONST., art. III, sec. 9.

<sup>9</sup> CONST., art. XIII, sec. 4 provides:

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

<sup>10</sup> *Export Processing Zone Authority v. Dulay*, 233 Phil. 313, 326 (1987) [Per J. Gutierrez, Jr., En Banc].

Although Section 54 of Republic Act No. 6657 states that “[a]ny decision, order, award or ruling of the D[e]partment [of] A[grarian] R[eform] on any agrarian dispute or on any matter pertaining to the application, implementation, enforcement, or interpretation of this Act . . . may be brought to the Court of Appeals by certiorari,”<sup>11</sup> this must be read in relation to Section 57.

Section 54 generally covers all decisions, orders, awards, or rulings of the Department of Agrarian Reform. On the other hand, Section 57 is a more specific provision that expressly vests special jurisdiction over the determination of just compensation in Special Agrarian Courts.

Further, agrarian dispute under Section 3 is defined as follows:

SECTION 3. *Definitions.* – . . . .

- (d) Agrarian Dispute refers to any controversy relating to tenurial arrangements, whether leasehold, tenancy, stewardship or otherwise, over lands devoted to agriculture, including disputes concerning farmworkers’ associations or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of such tenurial arrangements.

It includes any controversy relating to compensation of lands acquired under this Act and other terms and conditions of transfer of ownership from landowners to farmworkers, tenants and other agrarian reform beneficiaries, whether the disputants stand in the proximate relation of farm operator and beneficiary, landowner and tenant, or lessor and lessee.

An agrarian dispute generally refers to conflicts between farmers, or between farmers and their landlords. The conflict between landowners and government, in instances of expropriation, is not included.

Although “any controversy relating to compensation of lands acquired under this Act”<sup>12</sup> is an agrarian dispute under Section 3, paragraph 2 of Republic Act No. 6657, this cannot encompass just compensation for a landowner. This contemplation would be in direct conflict with the unambiguous text of Section 57, as well as the constitutional right to just compensation.

Moreover, there are two (2) types of compensation that may take place under agrarian reform. The first is the just compensation that must be paid by government upon condemnation, or the taking of land from a landowner. The second is the compensation that may be paid by farmer-beneficiaries

<sup>11</sup> Rep. Act No. 6657 (1988), sec. 54.

<sup>12</sup> Rep. Act No. 6657 (1988), sec. 3(d).

who acquire ownership over land through a certificate of land ownership award.<sup>13</sup> Thus, compensation under Section 3 refers only to the second type of compensation.

The ponencia described the nature of the original and exclusive jurisdiction of Special Agrarian Courts.<sup>14</sup> The original jurisdiction of the Special Agrarian Court means that it is not exercising its appellate jurisdiction; hence, it is not tasked with reviewing the executive's determination of just compensation. The Department of Agrarian Reform's determination is, at best, recommendatory to the courts. The courts have the discretion of disregarding the recommendation of the Department of Agrarian Reform. Nothing in the Constitution mandates the judiciary to follow recommendations coming from the executive.

Section 57 does not provide a time period for a landowner to file a petition for the determination of just compensation, even in the context of agrarian reform. Ordinary rules on prescription should apply. An action to recover just compensation over expropriated land constitutes a real action over an immovable. Under Article 1141<sup>15</sup> of the Civil Code, this kind of action prescribes after 30 years.

Petitioner filed her Petition to determine just compensation within one (1) year after the Department of Agrarian Reform released the Notice of Valuation and Acquisition.<sup>16</sup> This Court should not count prescription from the Department of Agrarian Reform's final order on the valuation of the property as it would shift the nature of the action as appellate.

It is when government showed that it would acquire petitioner's property that petitioner's right to file an action relating to just compensation began. This action may be brought concurrently with the proceedings before the Department of Agrarian Reform, assuming that the landowner no longer challenges the right of government to expropriate.

Petitioner's action has not yet prescribed since she filed the Petition

<sup>13</sup> Rep. Act No. 6657 (1988), sec. 21 provides:

SEC. 21. *Payment of Compensation by Beneficiaries Under Voluntary Land Transfer.*- Direct payment in cash or in kind may be made by the farmer-beneficiary to the landowner under terms to be mutually agreed upon by both parties, which shall be binding upon them, upon registration with and approval by the DAR. Said approval shall be considered given, unless notice of disapproval is received by the farmer-beneficiary within 30 days from the date of registration.

In the event they cannot agree on the price of the land, the procedure for compulsory acquisition as provided in Section 16 shall apply. The LBP shall extend financing to the beneficiaries for purposes of acquiring the land.

<sup>14</sup> Ponencia, p. 11.

<sup>15</sup> CIVIL CODE, art. 1141 provides:

ARTICLE 1141. Real actions over immovables prescribe after thirty years.

This provision is without prejudice to what is established for the acquisition of ownership and other real rights by prescription.

<sup>16</sup> Ponencia, p. 2, *citing rollo*, pp. 82-85.

l

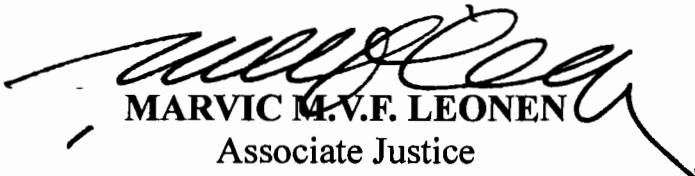
within one (1) year after finding out that government would acquire her land. Hence, the Special Agrarian Court should not have dismissed the case and proceeded to determine just compensation, as tasked under our Constitution and the law.

In addition, the Court of Appeals erred in affirming the dismissal of Civil Case No. 12558 solely on the ground that petitioner chose the wrong remedy. This Court has repeatedly ruled against the dismissal of appeals based purely on strict application of technicalities.<sup>17</sup> Instead of summarily dismissing the case, the Court of Appeals should have treated the Petition for Certiorari as an appeal filed under Rule 41 of the Rules of Court; it should have endeavored to resolve the case on its merits:

[C]ases should be determined on the merits, after all parties have been given full opportunity to ventilate their causes and defenses, rather than on technicalities or procedural imperfections. In that way, the ends of justice would be served better. *Rules of procedure are mere tools designed to expedite the decision or resolution of cases and other matters pending in court. A strict and rigid application of rules, resulting in technicalities that tend to frustrate rather than promote substantial justice, must be avoided.* In fact, Section 6 of Rule 1 states that the Rules [on Civil Procedure] shall be liberally construed in order to promote their objective of ensuring the just, speedy and inexpensive disposition of every action and proceeding.<sup>18</sup> (Emphasis in the original)

In cases that involve fundamental rights, such as this, the Court of Appeals should observe a reasonable relaxation of the rules of procedure.

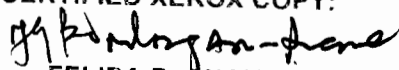
**ACCORDINGLY**, I vote to **GRANT** the Petition. The case is remanded to Branch 30 of the Regional Trial Court of Dumaguete City for determination of just compensation over petitioner Jocelyn S. Limkaichong's expropriated property.

  
MARVIC M.V.F. LEONEN  
Associate Justice

<sup>17</sup> *Catindig v. Court of Appeals*, 177 Phil. 624, 630 (1979) [Per J. De Castro, First Division].

<sup>18</sup> *Ching v. Cheng*, G.R. No. 175507, October 8, 2014, 737 SCRA 610, 634-635 [Per J. Leonen, Second Division], citing *Posadas-Moya and Associates Construction Co., Inc. v. Greenfield Development Corporation*, 451 Phil. 647, 661 (2003) [Per J. Panganiban, Third Division], in turn citing *Jara v. Court of Appeals*, 427 Phil. 532, 548 (2002) [Per J. Carpio, Third Division]; *Paras v. Baldado*, 406 Phil. 589, 596 (2001) [Per J. Gonzaga-Reyes, Third Division]; *Cusi-Hernandez v. Diaz*, 390 Phil. 1245, 1252 (2000) [Per J. Panganiban, Third Division]; *Republic v. Court of Appeals*, 354 Phil. 252, 260 (1998) [Per J. Mendoza, Second Division]; *Malonzo v. Zamora*, 370 Phil. 240, 257 (1999) [Per J. Romero, En Banc]; and *Fortich v. Corona*, 352 Phil. 461, 481-482 (1998) [Per J. Martinez, Second Division].

CERTIFIED XEROX COPY:

  
FELIPA B. ANAMA  
CLERK OF COURT, EN BANC  
SUPREME COURT