Republic of the Philippines
Supreme Court
Manila

EN BANC

HEIRS OF TUNGED namely: ROSITA YARIS-LIWAN, VIRGIE S. ATIN-AN, BELTRAN P. SAINGAN, MABEL P. DALING, MONICA Y. DOMINGO, and ELIZABETH Q. PINONO, Petitioners,	**G.R. No. 231737** Present: SERENO, *C.J.*,* CARPIO,** VELASCO, JR., LEONARDO-DE CASTRO, PERALTA, BERSAMIN, DEL CASTILLO, PERLAS-BERNABE, LEONEN, JARDELEZA, CAGUIOA, MARTIRES, TIJAM, REYES, JR., and GESMUNDO, *JJ.*
- versus -	
STA. LUCIA REALTY AND DEVELOPMENT, INC. and BAGUIO PROPERTIES, INC., Respondents.	Promulgated: March 6, 2018

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DECISION

TIJAM, *J.*:

In this Petition for Review on *Certiorari*[1] under Rule 45 of the Rules of Court, petitioners assail the Order[2] dated March 2, 2017 of the Regional Trial Court (RTC) of Baguio City, Branch V, which dismissed the case for

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*On leave.
** Acting Chief Justice per Special Order No. 2539, dated February 28, 2018.
[1]Rendered by RTC Presiding Judge Maria Ligaya V. Itliong-Rivera, *rollo*, pp. 3-29.
[2]Id. at 30-31.

lack of jurisdiction in Environmental Case No. 8548-R. Its Order[3] dated April 3, 2017, denying petitioners' motion for reconsideration[4] is likewise impugned herein.

The Antecedents

Petitioners are recognized Indigenous People (IP), being members of the *Ibaloi* tribe, who are the original settlers in Baguio City and Benguet Province. Respondent Sta. Lucia Realty is a real estate developer, while respondent Baguio Properties, Inc. claims to be the lot owner managing the properties of Manila Newtown Development Corporation, which covers portions of the subject land.[5]

Environmental Case No. 8548-R entitled "Enforcement/Violations of the Provisions of the Indigenous Peoples Rights Act (IPRA) (Republic Act No. 8371);[6] Presidential Decree (PD) No. 1586;[7] and Other Pertinent Laws with Prayer for the Issuance of Environmental Protection Order and/or Writ of Preliminary Mandatory/Prohibitory Injunction, and Writ of Mandamus" was filed by the petitioners against respondents.[8]

In the Complaint, petitioners averred that the subject property is an ancestral land that they have been occupying in the concept of an owner since time immemorial through their ancestors; that such ownership was recognized under the IPRA, which includes the right to sustainable traditional resource, the right against unlawful or unauthorized intrusion, and the right against usurpation;[9] and that their applications for the issuance of Certificate of Ancestral Land Titles (CALTs) over their properties, including the subject land, are now pending before the National Commission on Indigenous Peoples (NCIP).[10]

Petitioners argued that respondents' acts of demolishing and bulldozing the subject land, which caused the destruction of small and full grown trees and sayote plants and other resources of the petitioners, violated their rights pursuant to the IPRA; violated environmental laws, specifically PD 1586, as respondents' project poses grave and/or irreparable danger to

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[3]Id. at 32-33.

[4]Id. at 34-40.

[5]Id. at 44-46.

[6]An Act to Recognize, Protect and Promote the Rights of Indigenous Cultural Communities/Indigenous People, Creating a National Commission of Indigenous People, Establishing Implementing Mechanisms, Appropriating Funds Therefor, and for other Purposes. Approved on October 29, 1997.

[7]Establishing an Environmental Impact Statement System, Including other Environmental Management Related Measures and for other Purposes. Approved on June 11, 1978.

[8]*Rollo*, pp. 42-52.

[9]Id. at 45-46.

[10]Id. at 12.

environment, life, and property, and also violated the Environmental Compliance Certificate (ECC) issued to them.[11]

For its part, Baguio Properties, Inc. invoked ownership over the subject land and as such, they argued that petitioners' complaint is a collateral attack to its Torrens Titles.[12]

On March 2, 2017, the RTC, sitting as an environmental court, dismissed the Complaint for lack of jurisdiction. The RTC held that the recognition of the petitioners' rights as IPs is not the proper subject of an environmental case, as such, it should be threshed out in an appropriate proceeding governed by the very law relied upon by the petitioners, *i.e.*, the IPRA. The RTC cited Section 11[13] of the IPRA stating that the rights of IPs to their ancestral domains by virtue of native title shall be recognized and respected. The said formal recognition, when solicited, shall be embodied in a Certificate of Ancestral Domain Title (CADT), and the power to issue the same is within the exclusive jurisdiction of the NCIP.[14]

The RTC also held that assuming *arguendo* that the case falls within the coverage of Administrative Matter (AM) No. 09-6-8-SC or the Rules of Procedure for Environmental Cases, Sec. 4,[15] Rule 2 thereof requires that an action under said Rules must be filed by a real party-in-interest for the enforcement or violation of any environmental law. The RTC found that as the main relief prayed for by the petitioners is the recognition of their right of ownership over the subject property, it is in effect an admission that their asserted right over the same, if any, is yet to be established. According to the RTC, without the confirmation of their rights as IP to the property, the filing of this case is premature. As such, the petitioners do not have the legal personality to initiate the same.[16] The RTC disposed, thus:

> WHEREFORE, for lack of jurisdiction, the above-captioned case is hereby DISMISSED.
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> SO ORDERED.[17]

In its motion for reconsideration, the petitioners argued that NCIP has no jurisdiction over their complaint as its jurisdiction covers only claims and

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[11] Id. at 46-48.

[12] Id. at 6.

[13] Section 11. *Recognition of Ancestral Domain Rights.* - The rights of ICCs/IPs to their ancestral domains by virtue of Native Title shall be recognized and respected. Formal recognition, when solicited by ICCs/IPs concerned, shall be embodied in a Certificate of Ancestral Domain Title (CADT), which shall recognize the title of the concerned ICCs/IPs over the territories identified and delineated.

[14] *Rollo*, pp. 30-31.

[15] Section 4. *Who may file.* — Any real party in interest, including the government and juridical entities authorized by law, may file a civil action involving the enforcement or violation of any environmental law.

[16] Id. at 31.

[17] Id.

disputes involving rights of Indigenous Cultural Communities (ICCs) and IPs only.[18] Respondents are not ICC/IP members, hence, the RTC, not the NCIP, has jurisdiction. Further, petitioners pointed out that they are not praying for the issuance of CALTs/CADTs in their favor but merely for the recognition of rights under the IPRA to their ancestral land by virtue of their native title.[19]

Their motion for reconsideration, however, suffered the same fate. The RTC ruled that the such arguments do not put the case within the operation of AM No. 09-6-8-SC. Also, petitioners' cause of action based on alleged violations of the ECC issued to the respondents in relation to the provisions of PD 1586 will not prosper as petitioners are not real parties-in-interest under the contemplation of the Rules as explained in its assailed Order. Thus:

> WHEREFORE, the MOTION FOR RECONSIDERATION dated March 3, 2017 filed by the petitioners is DENIED.[20]

Hence, this petition.

The Issue

Was the court *a quo*'s outright dismissal of the case proper?

The Court's Ruling

We answer in the negative.

In precis, the RTC dismissed the case on the ground of lack of jurisdiction, finding that petitioners' case is grounded upon their claim of being members of the IPs and their assertion of ownership as such over their ancestral land. In ruling that it has no jurisdiction over the case, the RTC discussed the exclusive jurisdiction of the NCIP to issue CALTs/CADTs to formally recognize the rights of indigenous peoples to their ancestral lands/domains by virtue of native title. Further, the RTC ruled that even if the case is covered by A.M. No. 09-6-8-SC, the same is still dismissible considering that petitioners' right over the subject property is yet to be established as can be gleaned from their prayer for the recognition of ownership rights as IPs over the subject land.

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[18] Id. at 37.
[19] Id. at 36-37.
[20] Id. at 33.

We do not agree.

In determining which body or court has jurisdiction in this case, Our pronouncement in the recent case of *Unduran, et al. v. Aberasturi, et al.*,[21] is instructive, *viz*:

> [J]urisdiction over the subject matter of a case is conferred by law and determined by the allegations in the complaint which comprise a concise statement of the ultimate facts constituting the plaintiff's cause of action. **The nature of an action, as well as which court or body has jurisdiction over it, is determined based on the allegations contained in the complaint of the plaintiff, irrespective of whether or not the plaintiff is entitled to recover upon all or some of the claims asserted therein.** The averments in the complaint and the character of the relief sought are the ones to be consulted. **Once vested by the allegations in the complaint, jurisdiction also remains vested irrespective of whether or not the plaintiff is entitled to recover upon all or some of the claims asserted therein.**[22] (emphasis supplied)

The jurisdiction of the NCIP is stated under Section 66 of the IPRA, to wit:

> Sec. 66. Jurisdiction of the NCIP. – The NCIP, through its regional offices, shall have jurisdiction over all claims and disputes involving rights of ICCs/IPs; Provided, however, That no such dispute shall be brought to the NCIP unless the parties have exhausted all remedies provided under their customary laws. For this purpose, a certification shall be issued by the Council of Elders/Leaders who participated in the attempt to settle the dispute that the same has not been resolved, which certification shall be a condition precedent to the filing of a petition with the NCIP.

On the other hand, Administrative Order (AO) No. 23-2008,[23] in relation to *Batas Pambansa Blg.* (BP) 129,[24] designated the court *a quo* as a special court to hear, try, and decide violations of environmental laws committed within its territorial jurisdiction.

Having stated the jurisdiction of the NCIP and the RTC sitting as a special environmental court, We proceed to examine the pertinent allegations in the Complaint[25] constituting petitioners' cause of action.

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[21] 771 Phil. 536 (2015).

[22] Id. at 562.

[23] Re: Designation of Special Courts to Hear, Try and Decide Environmental Cases. Approved on January 28, 2008.

[24] An Act Reorganizing the Judiciary, Appropriating Funds Therefor, and for other Purposes. Approved on August 14, 1981.

[25] *Rollo*, pp. 41-52.

To reiterate, petitioners alleged in their Complaint that they are members of the *Ibaloi* Tribesmen and that their rightful ownership and possession over the subject property had already been established by testimonial and documentary evidence as far back as 1924.[26] They averred that after their ancestor's death, they continued to possess and exercise ownership over their ancestral land. Respondents' intrusion and usurpation was also alleged, and that respondents' earthmoving activities therein caused destruction of small and full grown trees and sayote plants in their ancestral land. Further, a violation of the Environmental Compliance Certificate (ECC) issued in favor of the respondents was likewise alleged.

Petitioners, therefore, prayed for the following reliefs, to wit: (1) issuance of an *ex parte* 72-hour Environmental Protection Order to immediately stop respondents from their earthmoving activities not only because they violate petitioners' rights under the IPRA above-cited, but also because they failed to comply with the ECC and/or because they operate without such ECC, violative of PD 1586 for posing grave and/or irreparable danger to the environment, life and property; (2) after trial, make the Environmental Protection Order and/or writ of preliminary injunction permanent; (3) recognize the rights of the petitioners as IPs to their ancestral land subject of this case; and (4) compel respondents to restore the denuded areas within the subject land to maintain ecological balance and to compensate petitioners of their damaged resources, among others.[27]

Guided by the foregoing, We find that the outright dismissal of the case was not proper.

First. The court *a quo* patently erred in ruling that the NCIP has jurisdiction over the case.

Foremost, in *Unduran*,[28] this Court had already delimited the jurisdiction of the NCIP as provided under Section 66 of the IPRA, *viz.*:

> **A careful review of Section 66 shows that the NCIP shall have jurisdiction over claims and disputes involving rights of ICCs/IPs only when they arise between or among parties belonging to the same ICC/IP.** This can be gathered from the qualifying provision that "no such dispute shall be brought to the NCIP unless the parties have exhausted all remedies provided under their customary laws. For this purpose, a certification shall be issued by the Council of Elders/Leaders who participated in the attempt to settle the dispute that the same has not been resolved, which certification shall be a condition precedent to the filing of a petition with the NCIP.

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[26] Id. at 53-60.
[27] Id. at 50-51.
[28] *Unduran, et al. v. Aberasturi, et al.*, *supra* note 21.

> The qualifying provision requires two conditions before such disputes may be brought before the NCIP, namely: (1) exhaustion of remedies under customary laws of the parties, and (2) compliance with condition precedent through the said certification by the Council of Elders/Leaders. This is in recognition of the rights of ICCs/IPs to use their own commonly accepted justice systems, conflict resolution institutions, peace building processes or mechanisms and other customary laws and practices within their respective communities, as may be compatible with the national legal system and with internationally recognized human rights.
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> Section 3(f) of the IPRA defines customary laws as a body of written and/or unwritten rules, usages, customs and practices traditionally and continually recognized, accepted and observed by respective ICCs/IPs. From this restrictive definition, it can be gleaned that it is only when both parties to a case belong to the same ICC/IP that the above-said two conditions can be complied with. If the parties to a case belong to different ICCs/IPs which are recognized to have their own separate and distinct customary laws and Council of Elders/Leaders, they will fail to meet the above-said two conditions. **The same holds true if one of such parties was a non-ICC/IP member who is neither bound by customary laws as contemplated by the IPRA nor governed by such council.** Indeed, it would be violative of the principles of fair play and due process for those parties who do not belong to the same ICC/IP to be subjected to its customary laws and Council of Elders/Leaders.
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> **Therefore, pursuant to Section 66 of the IPRA, the NCIP shall have jurisdiction over claims and disputes involving rights of ICCs/IPs only when they arise between or among parties belonging to the same ICC/IP. When such claims and disputes arise between or among parties who do not belong to the same ICC/IP, *i.e.*, parties belonging to different ICC/IPs or where one of the parties is a non-ICC/IP, the case shall fall under the jurisdiction of the proper Courts of Justice, instead of the NCIP.** In this case, while most of the petitioners belong to Talaandig Tribe, respondents do not belong to the same ICC/IP. Thus, even if the real issue involves a dispute over land which appear to be located within the ancestral domain of the Talaandig Tribe, it is not the NCIP but the RTC which shall have the power to hear, try and decide this case.[29] (emphasis supplied)

Indeed, non-ICCs/IPs cannot be subjected to the special and limited jurisdiction of the NCIP even if the dispute involves rights of ICCs/IPs since the NCIP has no power and authority to decide on a controversy involving rights of non-ICCs/IPs which should be brought before the courts of general jurisdiction within the legal bounds of rights and remedies.[30] Plainly, contrary to the court *a quo*'s conclusion, this case cannot be subjected to the NCIP's jurisdiction as respondents are clearly non-ICCs/IPs.

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[29] *Unduran, et al. v. Aberasturi, et al.*, *supra* note 21, at 568-569.

[30] *Engr. Lim, et al. v. Hon. Gamosa, et al.*, 774 Phil. 31, 61-62 (2015).

Second. What determines the jurisdiction of the court is the nature of the action pleaded as appearing from the allegations in the complaint. The averments therein and the character of the relief sought are the ones to be consulted.[31]

As can be gleaned from the aforecited allegations in the Complaint, the case at bar is not an action for the claim of ownership, much less, an application for the issuance of CALTs/CADTs, contrary to the court *a quo*'s findings. In fact, petitioners categorically stated in the said Complaint that their Petition for the Identification, Delineation and Recognition of Ancestral Claim and Issuance of CALTs is already pending before the NCIP.[32]

Ultimately, petitioners' cause of action is grounded upon the alleged earthmoving activities and operations of the respondents within petitioners' ancestral land, which violated and continue to violate petitioners' environmental rights under the IPRA and PD 1586 as the said activities were averred to have grave and/or irreparable danger to the environment, life, and property. Clearly, such cause of action is within the jurisdiction of the RTC, sitting as a special environmental court, pursuant to AO No. 23-2008 in relation to BP 129 and A.M. No. 09-6-8-SC. Whether or not petitioners are entitled to their claim is irrelevant in the preliminary issue of jurisdiction. Again, once jurisdiction is vested by the allegations in the complaint, it remains vested regardless of whether or not the plaintiff is entitled to recover upon all or some of the claims asserted therein.[33]

Third. The court *a quo* erred in finding that the petitioners have no legal personality to file the complaint. It is noteworthy that petitioners supported their allegations with pertinent documents such as the report and recommendation[34] of the NCIP on petitioners' Petition for the Identification, Delineation and Recognition of Ancestral Claim and Issuance of CALTs pending before the said Commission. In the said document, the NCIP concluded that, among others, the petitioners have established themselves as the heirs of Tunged and that the subject land was proven to be part of the vast tract of land that Tunged and his successors possessed and occupied.[35] Hence, petitioners' averments in their Complaint taken together with such supporting documents are sufficient to establish petitioners' *locus standi* in instituting this action, as well as to bring petitioners' case within the purview of the court *a quo*'s jurisdiction as conferred by the law.

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[31] *Padlan v. Sps. Dinglasan*, 707 Phil. 83, 91 (2013).
[32] *Rollo*, p. 44.
[33] *Unduran, et al. v. Aberasturi, et al.*, *supra* note 21, at 562.
[34] *Rollo*, pp. 53-60.
[35] Id. at 60.

Fourth. At any rate, assuming *arguendo* that the case is not within the jurisdiction of the RTC, sitting as an environmental court, the outright dismissal of the case was still not proper, especially considering that We have already established that it is the regular courts and not the NCIP, which has jurisdiction over the same. Section 3,[36] Rule 2 of A.M. No. 09-6-8-SC explicitly states that if the complaint is not an environmental complaint, the presiding judge shall refer it to the executive judge for re-raffle to the regular court.

With this, it is not only proper but also necessary that the other issues obtaining in this case should be addressed in the proceedings before the trial court.

WHEREFORE, premises considered, the instant petition is **GRANTED**. The assailed Orders of the Regional Trial Court of Baguio City, Branch V, dated March 2, 2017 and April 3, 2017 are hereby **NULLIFIED and SET ASIDE**. Accordingly, Environmental Case No. 8548-R is **REINSTATED** for proper disposition.

SO ORDERED.

NOEL GIMENEZ TIJAM
Associate Justice

WE CONCUR:

(On Leave)
MARIA LOURDES P. A. SERENO
Chief Justice

[36]**Section 3.** ***Verified complaint.*** — The verified complaint shall contain the names of the parties, their addresses, the cause of action and the reliefs prayed for.

The plaintiff shall attach to the verified complaint all evidence proving or supporting the cause of action consisting of the affidavits of witnesses, documentary evidence and if possible, object evidence. The affidavits shall be in question and answer form and shall comply with the rules of admissibility of evidence.

The complaint shall state that it is an environmental case and the law involved. The complaint shall also include a certification against forum shopping. If the complaint is not an environmental complaint, the presiding judge shall refer it to the executive judge for re-raffle.

ANTONIO T. CARPIO
Acting Chief Justice

PRESBITERO J. VELASCO, JR.
Associate Justice

TERESITA J. LEONARDO-DE CASTRO
Associate Justice

DIOSDADO M. PERALTA
Associate Justice

LUCAS P. BERSAMIN
Associate Justice

MARIANO C. DEL CASTILLO
Associate Justice

ESTELA M. PERLAS-BERNABE
Associate Justice

MARVIC M.V.F. LEONEN
Associate Justice

FRANCIS H. JARDELEZA
Associate Justice

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

SAMUEL R. MARTIRES
Associate Justice

ANDRES B. REYES, JR.
Associate Justice

ALEXANDER G. GESMUNDO
Associate Justice

CERTIFICATION

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

ANTONIO T. CARPIO
Acting Chief Justice

CERTIFIED TRUE COPY

EDGAR O. ARICHETA
Clerk of Court En Banc
Supreme Court