Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

PHILIPPINE DAILY INQUIRER, INC., DONNA CUETO, ARTEMIO T. ENGRACIA, JR., and ABELARDO S. ULANDAY, Petitioners,	**G.R. No. 229440**
	Present:
	GESMUNDO, *C.J., Chairperson,* CAGUIOA, CARANDANG, ZALAMEDA, and GAERLAN, *JJ.*
- versus -	
	Promulgated: JUL 14 2021
JUAN PONCE ENRILE, Respondent.	

x----------x

DECISION

CAGUIOA, *J.*:

The newspapers should be given such leeway and tolerance as to enable them to courageously and effectively perform their important role in our democracy.[1] — *Chief Justice Paras*

Before the Court is a Petition for Review on *Certiorari*[2] (Petition) under Rule 45 assailing the Decision[3] dated August 22, 2016, and Resolution[4] dated January 18, 2017 issued by the Fifteenth Division of the Court of Appeals (CA) in CA-G.R. CV No. 102710.

---

1 *Quisumbing v. Lopez*, 96 Phil. 510, 515 (1955).
2 *Rollo*, pp. 10-42.
3 Id. at 44-59. Penned by Associate Justice Jhosep Y. Lopez (now a Member of this Court) with Associate Justices Ramon R. Garcia and Leoncia R. Dimagiba concurring.
4 Id. at 61-63.

The Facts

The instant case involves a civil action for libel filed by herein respondent Senator Juan Ponce Enrile (Enrile) against petitioners Philippine Daily Inquirer (Inquirer), Donna Cueto (Cueto), Artemio T. Engracia, Jr. (Engracia, Jr.), and Abelardo Ulanday (Ulanday) (collectively, petitioners), Dona Pazzibugan (Pazzibugan) and Letty Jimenez-Magsanoc (Jimenez-Magsanoc). Inquirer is a corporation, organized under the laws of the Philippines, engaged in the publishing of newspapers. Cueto and Pazzibugan were the authors of the article titled "PCGG: no to coconut levy agreement" which contained allegedly defamatory statements against Enrile, while Ulanday, Engracia, Jr., and Jimenez-Magsanoc served as Inquirer's Associate Editor, News Editor, and Editor-in-Chief, respectively.

The facts, as summarized by the CA, are as follows:

> On December 4, 2001, the Philippine Daily Inquirer published on its front page a news article with the heading: "PCGG: no to coconut levy agreement" co-written by [Cueto] and [Pazzibugan].
>
> In the said news article, the following statements were made:
>
> > In her public statement since the controversy on the settlement erupted last week, Yorac said the settlement would allow Marcos cronies, who had benefited from the coco levy fund, particularly businessman Eduardo "Danding" [Cojuangco], Jr., Zamboanga City Mayor Maria Clara Lobregat and former Sen. Juan Ponce Enrile, to keep their plundered loot.
> >
> > x x x x
> >
> > The present terms of the compromise agreement brokered by Dante Ang for an unknown client will neither provide economic relief for millions of coconut farmer nor attain the equally important policy of recovering ill-gotten wealth from the Marcoses, Danding Cojuangco, Clara Lobregat, Juan Ponce Enrile and the Accra lawyers who helped them plunder the coco levy fund, Yorac said.
>
> After reading the news article, [Enrile], through his counsel[,] wrote to Commissioner Yorac to confirm whether she uttered the defamatory words attributed against her.
>
> In response, Commissioner Yorac issued a Letter dated 6 December 2001 denying the statements attributed to her by the Inquirer and claimed that "*There was not a single instance in all interviews or even in discussions with the President that the name of Mr. Juan Ponce Enrile was mentioned. I have nothing to do with the statements that were attributed to me relative to Mr. Ponce Enrile in the entire story.*"

In another Letter dated 6 December 2001, Commissioner Yorac called the attention of the Inquirer to correct the news article. She mentioned, among others, that, "*Your reporters did not interview me either in person or by telephone. I did not issue a statement, or cause one to be issued or consent to the issuance of any statement and the words quoted are not mine. Please make the proper correction.*"

Consequently, on 6 December 2001, [Enrile,] through his counsel[,] sent a Letter dated 4 December 2001 to Defendants-Appellants[5] demanding that they rectify the wrong committed against him and to apologize publicly. However, his demand was left unheeded.

On 10 December 2001, Commissioner Yorac sent another Letter addressed to Mr. Raul Palabrica of the Inquirer, reiterating that a correction be made regarding the news article on the coco levy fund.

In a follow-up Letter dated 12 December 2001 addressed to the Inquirer, Commissioner Yorac clarified that the source of the news article was not an official statement from the PCGG, to wit:

> The supposed PCGG statement of December 2, 2001 was not a Commission statement. There were no consultations with, advice to or clearance from me or the majority of the Commissioners on the statement or the issuance of the same.
>
> December 2, 2001 was a Sunday and there was no one in the office. This should have cautioned your reporter to verify the character of the statement; with me or the Commissioners.

[Enrile] repeatedly demanded that the news article be corrected but his demands proved futile as no correction was made. Left with no recourse, he filed a Complaint for Damages against Defendants-Appellants alleging that the news article imputed upon him defamatory acts of (a) having benefited from [the] coco levy fund, (b) accumulating ill-gotten wealth, and (c) being a Marcos crony.

In their Answer, Defendants-Appellants contended that the Complaint failed to state a cause of action against them. They claimed that if the questioned paragraphs in the news article are to be read in its entirety, it will disclose that it did not impute any crime, anomaly or wrongdoing against [Enrile] They insisted that the news article only narrates or reports what the PCGG, through its Commissioner[,] has stated to be the reason for objecting to, or finding as unacceptable, the reported compromise agreement on the coconut levy funds. The mention of [Enrile]'s name along with the other persons, was merely incidental to the PCGG's explanation of its position against the compromise agreement. Defendants-Appellants added that the news article is a true and fair report on a matter of public interest and concern, and hence, privileged in nature.[6]

---

5 Herein petitioners, and also Jimenez-Magsanoc and Isagani Yambot.

6 *Rollo*, pp. at 45-46.

Further, Cueto testified during the trial regarding the circumstances of the writing of the article. The content of her testimony, as summarized by Branch 139, Regional Trial Court of Makati (RTC) is as follows:

> At the time of writing the said news reports, she has had no commercial, personal and social business with plaintiff Senator Juan Ponce Enrile. When she was writing the article, she was not even thinking of [Enrile] as her only concern was about the coconut levy settlement and that she needs to meet the deadline. She wrote the subject news report because the issue is a matter of public interest and as a journalist, she has the responsibility to write it, being the one assigned to PCGG. Thereafter, one of her editors called her up seeking clarification on the matter because Commissioner Yorac was denying that she made those statements and because [Enrile] was threatening to file a libel suit.
>
> After hearing this, she was surprised because she thought all the while that Commissioner Carranza had the go signal of Commissioner Yorac. She then confronted Commissioner Carranza and asked him why did this happen. He told her not to worry and that he was going to make a sworn affidavit. He assured her that there would be no problem and the case will be later on dismissed because it was privileged communication. She recorded this conversation with Commissioner Carranza, who knew he was being recorded because the tape recorder was in front of him. As far as he knows, the said press statement was used by Estrella Torres of Today newspaper and Sheila Crisostomo of The Philippine Star.
>
> x x x x
>
> On the continuation of her cross-examination, she testified that in 2001 when the subject article was printed and published, defendant [Inquirer] was already one of the leading newspapers in the country; that [Inquirer] is known to be a credible newspaper that if a story is published in [Inquirer], there is a great chance that people will believe it; that as a journalist, her job is to report the truth and verify the facts that she reports; that "plundering or looting government funds" is a very serious accusation; that Commissioner Carranza handed her the press statement on Sunday and she submitted the draft on the article on Monday afternoon the next day; that on Monday morning she called up the office of Commissioner Yorac to verify the press statement but she was told that the latter was in a meeting in Malacanang regarding the coconut levy settlement; that she waited for Commissioner Yorac but until the deadline time, the latter didn't return to the PCGG office; that she did not call Commissioner Avena because she was told that the latter was not involved in the coconut levy settlement; that it was Commissioner Carranza who requested her to immediately release the said press statement and that what she verifies in writing a news report is whether the facts came from a certain government official and not the contents thereof.
>
> She likewise testified that in practice, they usually rely on the statements or announcements given by a government official if the news report is not an investigative item; that she did not verify the truth of the statement that [Enrile] "has plundered loot" or that he benefited from the coconut levy fund because her basis was the PCGG statement; that she had no reason to doubt the PCGG press statement because it was handed to her by Commissioner Carranza; that her editor asked her if they can attribute

> the statement to Commissioner Yorac and in turn, she asked Commissioner Carranza if she can use the name of Commissioner Yorac instead of PCGG; that she did not interview [Enrile] before and after writing the subject article; that [Inquirer] later published an article saying that the PCGG's statement that was used in the subject article was not Yorac's words but that it came from a high government official and that she was not sure if there was an apology in the article that was subsequently printed.[7]

Ruling of the RTC

In a Decision[8] dated October 30, 2013, the RTC ruled in favor of Enrile. The dispositive portion of the said Decision was as follows:

> **WHEREFORE**, premises considered, judgment is hereby rendered **ORDERING** the defendants Philippine Daily Inquirer, Inc., Donna S. Cueto, Letty Jimenez-Magsanoc, Artemio T. Engracia, Jr. and Abelardo S. Ulanday to **JOINTLY AND SEVERALLY** pay the plaintiff the following:
>
> (a) Moral damages in the amount of Two Million Pesos (P2,000,000.00)
> (b) Exemplary damages in the amount of Five Hundred Thousand Pesos (P500,000.00); and
> (c) Attorney's fees and costs of suit in the amount of Two Hundred Fifty Thousand Pesos (P250,000.00)
>
> x x x x
>
> **SO ORDERED.**[9] (Emphasis in the original)

The RTC held that the article in question did defame Enrile by imputing to him the following acts: (a) having benefitted from the coco levy funds; (b) accumulating ill-gotten wealth and (c) committing the crime of plunder.[10] The RTC added that the publication of the subject article was undoubtedly malicious, for the newspaper attributed the words to the late PCGG Chairperson Haydee Yorac (Yorac) who, in turn, denied making the said statements. The RTC explained that Inquirer and its officials were shown to have "acted with reckless disregard as to the truth or falsity of the articles they published, when, aside from falsely attributing statements to Chairperson Yorac, they also failed to show that the press statement was indeed the official PCGG statement and thus, can be the basis of the said news report."[11]

The RTC thus made Cueto, Ulanday, Engracia Jr., and Jimenez-Magsanoc liable to Enrile for the damages caused by the alleged libelous article. The RTC, however, absolved Pazzibugan from liability for it was

---

7 Id. at 117-119.
8 Id. at 110-127. Penned by Presiding Judge Benjamin T. Pozon.
9 Id. at 126-127.
10 Id. at 120.
11 Id. at 124.

proven that her contributions to the article did not include the portions of the article that contained supposedly defamatory statements.[12]

Petitioners filed a motion for reconsideration[13] of the Decision, but the same was denied by the RTC through an Order[14] dated April 25, 2014. They thus filed an appeal with the CA.

Ruling of the CA

In the assailed Decision[15] dated August 22, 2016, the CA upheld the RTC's findings but modified the award of damages. The dispositive portion of the Decision reads:

> **WHEREFORE**, premises considered, the instant appeal is **DENIED**. The Decision dated 30 October 2013 and Order dated 25 April 2014 of the Regional Trial Court of Makati City, Branch 139 in Civil Case No. 02-348 are hereby **AFFIRMED with MODIFICATIONS** in so far as:
>
> (1) Moral damages is **REDUCED** from P2,000,000.00 to P1,000,000.00
> (2) Exemplary damages is **REDUCED** from P500,000.00 to P200,000.00 and;
> (3) Attorney's fees is **REDUCED** from P250,000.00 to P100,000.00
>
> **SO ORDERED.**[16]

The CA held that the statements uttered in the article clearly imputed upon Enrile the following disparaging remarks: "plunderer," "looter," "possessor of ill-gotten wealth" and "Marcos crony."[17] The CA thus concluded:

> In libel cases, the question is not what the writer of an alleged libel means, but what the words used by him mean.
>
> Here, the defamatory character of the phrases used by Defendants-Appellants are undeniably defamatory for they attributed upon [Enrile] several dishonorable acts and condition. No amount of explanation can hide, much less erase, the negative impression already created in the minds of the readers towards him who at that time was neither charged nor convicted for any crime involving the coco levy fund.
>
> For these reasons, we agree with the trial court that the subject news article is defamatory for it imputed upon [Enrile] a discreditable act and condition thereby exposing him to public contempt and ridicule.[18]

---

12 Id. at 124-125.
13 Id. at 128-142.
14 Id. at 143.
15 Supra note 3.
16 *Rollo*, p. 58.
17 Id. at 51.
18 Id. at 52.

The CA added that the news article was published with malice, for it was shown "to have been written and published with the knowledge that they are false."[19] The CA explained that Inquirer failed to show that it knew that the statements containing serious criminal imputations were indeed issued by either the PCGG or Yorac. This was so because Inquirer and its officials admitted that the reporter did not confirm with PCGG or Yorac if the statement was indeed issued by them.[20] The CA then concluded that the publication of the news article was indeed attended with actual malice as shown by petitioners' "reckless disregard to ascertain its falsity or truthfulness."[21]

Petitioners thereafter sought reconsideration of the Decision, but the same was denied by the CA through a Resolution[22] dated January 18, 2017.

On March 13, 2017, petitioners thus filed with this Court the instant Petition under Rule 45 of the Rules of Court. Enrile filed his Comment[23] on October 18, 2017, while petitioners filed their Reply[24] on February 12, 2018.

Issue

The central issue to be resolved in this case is whether the CA erred in affirming the RTC's finding that the questioned article was libelous.

The Court's Ruling

The Petition is meritorious.

At the outset, the Court dispels Enrile's contention that the Petition was grounded on factual issues, which therefore takes it out of the ambit of a petition for review under Rule 45.[25] There is no factual issue disputed in the case. A careful perusal of the Petition would reveal that the question put forth by petitioners is **whether the facts, as herein established, are sufficient to conclude that there was malice in the publication of the questioned article.** The determination of whether there is malice is certainly a question of law, and is thus proper in a petition for review under Rule 45.

As to the merits, libel is defined as "a public and malicious imputation of a crime, or of a vice or defect, real or imaginary, or any act, omission, condition, status, or circumstance tending to cause the dishonor, discredit, or contempt of a natural person or juridical person, or to blacken the memory of one who is dead."[26] Consequently, the following elements constitute libel: (a)

---

19 Id. at 55.
20 Id. at 55.
21 Id. at 56
22 Supra note 4.
23 Id. at 69-83.
24 Id. at 98-106
25 *Rollo*, p. 73.
26 *Villanueva v. Philippine Daily Inquirer*, G.R. No. 164437, May 15, 2009, 588 SCRA 1, 11-12.

imputation of a discreditable act or condition to another; (b) publication of the imputation; (c) identity of the person defamed; and, (d) existence of malice.[27]

To determine whether Inquirer and the rest of petitioners did commit libel against Enrile, it is thus necessary to ascertain whether the foregoing elements were present in the publishing of the subject article.

The presence of the second and third elements are not in dispute; the article in question was admittedly published by Inquirer in its newspapers, and Enrile was undoubtedly mentioned in the article. Hence, the Court's analysis will only focus on the presence of the first and fourth elements of libel, namely, (1) the imputation of a discreditable act or condition; and (2) the existence of malice.

On the article's imputation of a discreditable act or condition

To recall, the portions of the article complained of were as follows:

> In her public statement since the controversy on the settlement erupted last week, Yorac said the settlement would allow Marcos cronies, who had benefited from the coco levy fund, particularly businessman Eduardo "Danding" Cojuangco, Jr., Zamboanga City Mayor Maria Clara Lobregat and former Sen. Juan Ponce Enrile, to keep their plundered loot."
>
> x x x x
>
> The present terms of the compromise agreement brokered by Dante Ang for an unknown client will neither provide economic relief for millions of coconut farmer nor attain the equally important policy of recovering ill-gotten wealth from the Marcoses, Danding Cojuangco, Clara Lobregat, Juan Ponce Enrile and the Accra lawyers who helped them plunder the coco levy fund, Yorac said.[28]

Enrile claims that the subject article "imputed [upon him] the crime of plunder, and several vices or defects, including the [acts of having benefited from the coco levy funds, accumulating ill-gotten wealth, and being a Marcos crony]."[29] The RTC ruled in favor of Enrile as it said:

> A careful reading of the relevant portions of the subject article shows that it called several persons, included [Enrile], a "Marcos crony"; that it stated that such persons benefited from the coco levy fund; that the proposed settlement will allow said persons [to] "keep their plundered loot" and that [the] terms of the compromise agreement will not attain the policy of recovering ill-gotten wealth from said persons and that such persons "helped them plunder coco levy fund".

---

27 *Yambot v. Tuquero*, 661 Phil. 599, 608 (2011).
28 *Rollo*, p. 45.
29 Id. at 74.

> Clearly, the subject articles contain defamatory imputations as they all exposed [Enrile] to public contempt and ridicule, for they imputed to him a discreditable act (the act of plundering or benefitting from plunder of the coco levy fund) and condition (him labeled as a Marcos crony).[30]

The CA agreed with the RTC, and it stated that "the subject news article indeed imputes upon [Enrile] several reprehensible acts allegedly committed by him and portrayed him as a 'plunderer', 'looter', 'possessor of ill-gotten wealth' and 'Marcos crony'."[31]

The Court disagrees.

It is settled that "[i]n determining whether a statement is defamatory, the words used are to be construed in their entirety and should be taken in their plain, natural, and ordinary meaning as they would naturally be understood by persons reading them, unless it appears that they were used and understood in another sense."[32]

In the case of *Manila Bulletin Publishing Corp. v. Domingo*[33] (*Domingo*), the Court dealt with an article made by a reporter who received a letter from the employees of a government agency, wherein the authors of the letter alleged that their Regional Director was guilty of "mismanagement," "nepotism," "gross inefficiency," "improper decorum," and causing "low morale." The specifics of the accusations — which were also the subject of complaints filed before different government agencies like the Civil Service Commission and the Ombudsman — were contained in the letter and were echoed in the article. The Regional Director thus filed a complaint, and an Information for libel was subsequently filed against the reporter. While the trial court and the CA convicted the reporter, the latter was acquitted by the Court because it found that the article itself was not defamatory as it merely relayed what was stated in the letter received by the reporter. The Court explained:

> The Court cannot sustain the findings of the RTC and the CA that this article was libelous. **Viewed in its entirety**, the article withholds the finding that it impeaches the virtue, credit, and reputation of Domingo. The article was but a fair and true report by Batuigas based on the documents received by him and thus exempts him from criminal liability x x x[.]
>
> x x x x
>
> The article cannot be considered as defamatory because Batuigas had not ascribed to Domingo the commission of a crime, the possession of a vice or defect, or any act or omission, condition, status or circumstance which tends to dishonor or discredit the latter. **The article was merely a factual report which, to stress, [was] based on the letter of the Waray**

---

30 Id. at 121

31 Id. at 51.

32 *Manila Bulletin Publishing Corp. v. Domingo*, 813 Phil. 37, 56 (2017).

33 Id.

> **employees reiterating their earlier complaints against Domingo and other co-workers at the DTI Region VIII.** "Where the words imputed [are] not defamatory in character, a libel charge will not prosper. Malice is necessarily rendered immaterial."[34] (Emphasis supplied)

The factual circumstances of *Domingo* are similar to the case at bar. A closer look at the article involved in this case reveals that it was not Cueto, the author of the article, who was asserting that Enrile was a "plunderer" or a "Marcos crony." In both of the paragraphs complained of, the author was merely repeating a supposed statement from PCGG Chairperson Yorac. It is true that Yorac subsequently disclaimed ownership of any of such statements, but the foregoing fact did not thereby make the defamatory imputations automatically from Inquirer or Cueto.

Both the RTC and the CA committed the error of discontinuing its analysis on whether the article imputed defamatory remarks against Enrile. Courts, in deciding libel cases, should always bear in mind that "[w]hether or not it is libelous depends upon the scope, spirit and motive of the publication taken in its entirety."[35] To reiterate, and as the CA itself noted, in determining whether a statement is *defamatory*, the words used are to be construed in their entirety and should be taken in their plain, natural and ordinary meaning as they would naturally be understood by persons reading them, unless it appears that they were used and understood in another sense.[36]

Here, both courts did not consider that the article, read in its entirety, clearly just reports the statements supposedly made by Yorac. More importantly, both courts failed to view the article from the perspective of the reader, doing which would have led them to the conclusion that the article merely impresses on the reader that "Yorac said the following" instead of "Enrile is a plunderer and a Marcos crony."

To reiterate, the fact that Inquirer failed to verify if the statements were indeed made by Yorac did not make the imputations in the article as its own. To stress, the perspective of the reader — or how the words are used in their entirety and taken in their plain, natural and ordinary meaning, as they would naturally be understood by persons hearing or reading them — remain the judicial guidepost in determining whether an utterance is libelous. Applying the foregoing in this case, the subject article was a mere replication — a plain report that "a person said this" — albeit inadvertently attributed to the wrong person. Hence, it is certainly not libelous.

Malice is not present in the publishing of the subject article

In jurisprudence, it is provided that "malice" connotes ill will or spite and speaks not in response to duty but merely to injure the reputation of the

---

34 Id. at 58-59.
35 Supra note 1, at 513.
36 *Rollo*, p. 50.

person defamed, and implies an intention to do ulterior and unjustifiable harm.[37] It is present when it is shown that the author of the libelous remarks made such remarks with knowledge that it was false or with reckless disregard as to the truth or falsity thereof.[38]

Malice, however, does not necessarily have to be proven.[39] There are two types of malice — malice in law and malice in fact. ***Malice in law*** is a presumption of law: it dispenses with the proof of malice when words that raise the presumption are shown to have been uttered.[40] It is also known as constructive malice, legal malice, or implied malice.[41] On the other hand, ***malice in fact*** is a positive desire and intention to annoy and injure.[42] It may denote that the defendant was actuated by ill will or personal spite. It is also called express malice, actual malice, real malice, true malice, or particular malice.[43]

Under the general rule stated in Article 354 of the Revised Penal Code, every defamatory imputation is presumed to be malicious.[44] This is malice in law. The presumption of malice, however, does not exist in the following instances:

> 1. A private communication made by any person to another in the performance of any legal, moral, or social duty; and
>
> 2. A fair and true report, made in good faith, without any comments or remarks, of any judicial, legislative, or other official proceedings which are not of confidential nature, or of any statement, report, or speech delivered in said proceedings, or of any other act performed by public officers in the exercise of their functions.[45]

The exceptions provided in Article 354 are also known as qualifiedly privileged communications.[46] A privileged communication may be either absolutely privileged or qualifiedly privileged.[47] Absolutely privileged communications are those which are not actionable even if the author has acted in bad faith.[48] An example is found in Sec. 11, Art. VI, of the 1987 Constitution which exempts a member of Congress from liability for any speech or debate in the Congress or in any Committee thereof.[49] Upon the other hand, qualifiedly privileged communications containing defamatory

---

37 *Yuchengco v. Manila Chronicle Publishing Corp.*, G.R. No. 184315, November 25, 2009, 605 SCRA 684.
38 Id. at 709
39 Id.
40 Id.
41 Id.
42 Id.
43 Id.
44 *Villanueva v. Philippine Daily Inquirer*, supra note 26, at 12.
45 Id., citing REVISED PENAL CODE, Art. 354.
46 *Yuchengco v. Manila Chronicle Publishing Corp.*, supra note 37, at 710.
47 *Borjal v. Court of Appeals*, G.R. No. 126466, January 14, 1999, 301 SCRA 1, 21.
48 Id.
49 Id.

imputations are not actionable unless found to have been made without good intention or justifiable motive.[50]

The enumeration under Art. 354 above, however, is not an exclusive list of qualifiedly privileged communications since *fair commentaries on matters of public interest* are likewise privileged.[51] Like "fair commentaries on matters of public interest," ***fair reports on matters of public interest*** is also included in the list of qualifiedly privileged communications, and are thus included under the protective mantle of privileged communications.[52]

In the case of *Borjal v. Court of Appeals*[53] (*Borjal*) the Court noted that there are additional exceptions covered by qualifiedly privileged communications, apart from the two enumerated under the Revised Penal Code, because

> [t]he rule on privileged communications had its genesis not in the nation's penal code but in the Bill of Rights of the Constitution guaranteeing freedom of speech and of the press x x x [which] constitutional right cannot be abolished by the mere failure of the legislature to give it express recognition in the statute punishing libels.[54]

It needs to be clarified, however, that qualifiedly privileged communications are merely exceptions to the general rule requiring proof of actual malice in order that a defamatory imputation may be held actionable.[55] Thus, defamatory imputations written or uttered during any of the four classes of qualifiedly privileged communications mentioned above[56] may still be considered actionable if actual malice — or malice in fact — is proven.[57] Stated differently, being considered as *qualifiedly privileged communication* "merely prevents the presumption of malice from attaching in a defamatory imputation."[58]

In short, in order to successfully claim that an utterance covered under qualifiedly privileged communications is libelous, the plaintiff thereon, in this case, Enrile, must prove the existence of *malice in fact.*

In *Vasquez v. Court of Appeals*,[59] the Court explained the rationale for the foregoing rule. It held that:

---

50 Id.

51 *Yuchengco v. Manila Chronicle Publishing Corp.*, supra note 37, at 710.

52 *Yambot v. Tuquero*, supra note 27, at 611.

53 Supra note 44.

54 Id. at 22.

55 *Yuchengco v. Manila Chronicle Publishing Corp.*, supra note 37, at 710.

56 (1) A private communication made by any person to another in the performance of any legal, moral, or social duty; (2) A fair and true report, made in good faith, without any comments or remarks, of any judicial, legislative, or other official proceedings which are not of confidential nature, or of any statement, report, or speech delivered in said proceedings, or of any other act performed by public officers in the exercise of their functions; (3) fair commentaries on matters of public interest; and (4) fair reports on matters of public interest.

57 Id. at 710-711.

58 Id. at 714.

59 G.R. No. 118971, September 15, 1999, 314 SCRA 460.

> [a] rule placing on the accused the burden of showing the truth of allegations of official misconduct and/or good motives and justifiable ends for making such allegations would not only be contrary to Art. 361 of the Revised Penal Code, it would, above all, infringe on the constitutionally guaranteed freedom of expression. Such a rule would deter citizens from performing their duties as members of a self-governing community. Without free speech and assembly, discussions of our most abiding concerns as a nation would be stifled. As Justice Brandeis has said, "public discussion is a political duty" and the "greatest menace to freedom is an inert people."[60]

Now, is the article in question a "fair report on matters of public interest" so as to be considered as a *qualifiedly privileged communication*?

The subject matter of the article is undoubtedly a matter of public interest. As the RTC itself correctly observed, "these are matters about which the public has the right to be informed, taking into account the public character of the funds involved."[61] The Court itself, in *Philippine Coconut Producers Federation v. Republic*,[62] characterized the coco levy funds as "special public funds."[63]

Enrile is likewise unquestionably a public figure. In *Ayer Productions Pty. Ltd. v. Capulong*[64] (*Ayer*), the Court defined a public figure as follows:

> A public figure has been defined as a person who, by his accomplishments, fame, or mode of living, or by adopting a profession or calling which gives the public a legitimate interest in his doings, his affairs, and his character, has become a "public personage." He is, in other words, a celebrity. **Obviously to be included in this category are those who have achieved some degree of reputation by appearing before the public**, as in the case of an actor, a professional baseball player, a pugilist, or any other entertainer. The list is, however, broader than this. **It includes public officers**, famous inventors and explorers, war heroes and even ordinary soldiers, an infant prodigy, and no less a personage than the Grand Exalted Ruler of a lodge. It includes, in short, anyone who has arrived at a position where public attention is focused upon him as a person.[65] (Emphasis and underscoring supplied)

Notably, Enrile was also the respondent in abovementioned case of *Ayer*, where the Court ultimately concluded that Enrile continues to be a public figure as he "sits in a very public place, the Senate of the Philippines."[66]

Even assuming, for the sake of argument, that respondent Enrile would not qualify as a public figure, it would not necessarily follow that he could not validly be the subject of a public comment.[67] If a matter is a subject of public or general interest, it cannot suddenly become less so merely because a private

---

60 Id. at 477.
61 *Rollo*, p. 123.
62 679 Phil. 508 (2012).
63 Id. at 603-604.
64 G.R. No. 82380, 82398, April 29, 1988, 160 SCRA 861.
65 Id. at 874-875.
66 Id. at 876.
67 *Villanueva v. Philippine Daily Inquirer*, supra note 26, at 13.

individual is involved or because in some sense the individual did not voluntarily choose to become involved.[68] The public's primary interest is in the event; the public focus is on the conduct of the participant and the content, effect and significance of the conduct, not on the participant's prior anonymity or notoriety.[69]

From the foregoing, it could be indisputably inferred, therefore, that the presumption of existence of malice does not arise for the article, as the same is considered a "fair report on matters of public interest" — and thus a qualifiedly privileged communication.

While, generally, malice can be presumed from defamatory words, the privileged character of a communication destroys the presumption of malice.[70] The *onus* of proving actual malice then lies on Enrile.[71]

The Court, however, holds that Enrile failed to discharge the said burden.

The CA declared that the subject article was published with actual malice because, although it is a qualifiedly privileged communication, it was supposedly shown "to have been written or published with the knowledge that they are false or in reckless disregard of whether they are false or not."[72] The CA elucidated:

> In this case, while it is undisputed that the questioned news article deals with matters of public interest, the relevant portion of which were shown to have been written and published with the knowledge that they are false.
>
> As borne by the records, Defendants-Appellants knew that neither the PCGG nor Commissioner Yorac issued any statement regarding the serious criminal imputations, vices or defects against [Enrile].
>
> x x x x
>
> Furthermore, the trial court aptly ruled that Defendants-Appellants published the news article with reckless disregard of whether it was false or not.
>
> Although Defendants-Appellants claim that the news article was based from a PCGG statement, they failed to prove that it was indeed an official statement of the PCGG.
>
> As keenly observed by the trial court, the alleged PCGG statement does not even bear the official letterhead of the PCGG. Upon further scrutiny, it is apparent that it was not signed by any official of the PCGG

---

68 Id.
69 Id.
70 *Borjal v. Court of Appeals*, supra note 47, at 28.
71 Id.
72 *Rollo*, p. 54, citing *Villanueva v. Philippine Daily Inquirer*, supra note 26.

> and the purported date of its issuance was a non-working day. Clearly the presence of these irregularities should have raised serious doubts on Defendants-Appellants and impelled them to verify the truth of the statement.
>
> However, no attempt was made by Defendants-Appellants to ascertain much less counter check its veracity. What is more, they adamantly refused to correct the false statement despite the clarification made by Commissioner Yorac that the same is not an official statement of the PCGG.[73]

The above conclusions of the CA are misplaced.

It was error for the CA to conclude that the article was published with the knowledge that they were false. To recall, the article was published on December 4, 2001, while the letters of Chairperson Yorac disclaiming ownership of the statements were executed only on December 6, 2001. In the aforementioned case of *Domingo*, the reporter published the article regarding the complaints against the Regional Director when the complaints had already been dismissed by the different government agencies. The article was published, however, prior to the time that the reporter was informed of the dismissal of the charges. According to the Court, there was no malice even if the charges had already been dismissed at the time of the publication of the article. The Court explained that "even assuming that the contents of the articles were false, mere error, inaccuracy or even falsity alone does not prove actual malice."[74]

Such ruling of the Court also applies in the case at bar. Again, what constitutes malice is *not* the fact that the articles contain matters which are false. For there to be malice, it must be that the articles were published *with the knowledge* that the matters in the article were false. It could not be said, however, that at the time of the article's publication on December 4, 2001 that petitioners already knew that the statement did not, in fact, come from Yorac.

In this connection, the CA likewise erred in holding that the article was published "with reckless disregard of whether it was false or not." The CA blames the newspaper for failing to prove that the statements were indeed from the PCGG, and for showing no attempt to counter-check its veracity.

On this point, the case of *Villanueva v. Philippine Daily Inquirer*[75] (*Villanueva*) is instructive.

In *Villanueva*, a news article was published, the contents of which later on turned out to be false. One of the reporters therein explained that he obtained the news from a fellow reporter and he believed the same, so he no

---

73 Id. at 55-56.
74 *Manila Bulletin Publishing Corp. v. Domingo*, supra note 32, at 67.
75 Supra note 26.

longer exerted any effort in verifying the same. In finding that there was no "reckless disregard of whether it was false or not," the Court held:

> **In the instant case, we find no conclusive showing that the published articles in question were written with knowledge that these were false or in reckless disregard of what was false or not.** According to Manila Bulletin reporter Edgardo T. Suarez, he got the story from a fellow reporter who told him that the disqualification case against petitioner was granted. PDI [(Philippine Daily Inquirer)], on the other hand, said that they got the story from a press release the very same day the Manila Bulletin published the same story. PDI claims that the press release bore COMELEC's letterhead, signed by one Sonia Dimasupil, who was in-charge of COMELEC press releases. They also tried to contact her but she was out of the office. Since the news item was already published in the Manila Bulletin, they felt confident the press release was authentic. Following the narration of events narrated by respondents, it cannot be said that the publications were published with reckless disregard of what is false or not.
>
> **Nevertheless, even assuming that the contents of the articles turned out to be false, mere error, inaccuracy or even falsity alone does not prove actual malice.** Errors or misstatements are inevitable in any scheme of truly free expression and debate. **Consistent with good faith and reasonable care, the press should not be held to account, to a point of suppression, for honest mistakes or imperfections in the choice of language.** There must be some room for misstatement of fact as well as for misjudgment. Only by giving them much leeway and tolerance can they courageously and effectively function as critical agencies in our democracy.
>
> **A newspaper, especially one national in reach and coverage, should be free to report on events and developments in which the public has a legitimate interest with minimum fear of being hauled to court by one group or another on criminal or civil charges for malice or damages, *i.e.*, libel, so long as the newspaper respects and keeps within the standards of morality and civility prevailing within the general community.**
>
> Likewise, in our view, **respondents' failure to counter-check their report or present their informant should not be a reason to hold them liable. While substantiation of the facts supplied is an important reporting standard, still, a reporter may rely on information given by a lone source although it reflects only one side of the story provided the reporter does not entertain a "high degree of awareness of [its] probable falsity."** Petitioner, in this case, presented no proof that respondents entertained such awareness. Failure to present respondents' informant before the court should not be taken against them.
>
> Worth stressing, jurisprudence instructs us that a privileged communication should not be subjected to microscopic examination to discover grounds for malice or falsity. Such excessive scrutiny would defeat the protection which the law throws over privileged communications. The ultimate test is that of *bona fides*.[76] (Emphasis and underscoring supplied)

---

[76] Id. at 14-16.

Applying the foregoing pronouncements of the Court to the case at hand, it could thus be reasonably concluded that the article was not published "with reckless disregard of whether it was false or not."

Villanueva teaches us that the failure of news outlets to counter-check or verify their reports, which may later on turn out to be false, does not *per se* make the publication of such reports done with malice. To reiterate *Villanueva*, "a reporter may rely on information given by a lone source although it reflects only one side of the story provided the reporter does not entertain a 'high degree of awareness of [its] probable falsity.'"[77]

In this case, the source of the statements initially believed to be issued by Chairperson Yorac was another PCGG Commissioner, Mr. Ruben Carranza. This is undisputed, as the parties stipulated on this fact in the pre-trial:

> ATTY. MEDINA: At any rate your Honor, just to expedite the proceedings, we are willing to stipulate and admit to the fact that Commissioner Caranza in fact submitted a piece of paper, copy of which was marked as Exhibit "1", to the witness your Honor.
>
> COURT: Alright, so, admitted. Then there's no need to prove.
>
> ATTY. PAGDANGANAN: That Caranzan *(sic)* gave her the statement.
>
> ATTY. MEDINA: Only that part your Honor, that Commissioner Caranza.
>
> COURT: That Commissioner Caranza handed the statement allegedly.[78]

To the mind of the Court, the reporter, Cueto, could not have had a "high degree of awareness" that the statement contained falsities when the same was handed to her by no less than a PCGG Commissioner. In simple terms, why would anyone doubt a PCGG Commissioner who attests that a certain statement was PCGG's or made by the PCGG Chairperson?

This is not to say that there were no shortcomings on the part of Inquirer or the reporters and editors involved. Lest it be misconstrued, the Court is not tolerating, much less sanctioning, irresponsible journalism. However, the case before the Court is a claim for damages arising from a supposed libel. Thus, the fundamental question before the Court is: Did the petitioners commit

---

77 Id. at 15.

78 TSN dated September 8, 2008, p. 25, *rollo*, p. 167.

libel? The answer to the same is in the negative. Again, in *Villanueva*, the Court held:

> On petitioner's claim for damages, we find no evidence to support their award. Indeed, it cannot be said that respondents published the questioned articles for the sole purpose of harassing petitioner. **Proof and motive that the publication was prompted by a sinister design to vex and humiliate petitioner has not been clearly and preponderantly established to entitle the petitioner to damages. There remains unfulfilled the need to prove that the publications were made with actual malice — that is, with the knowledge of the publications' falsity or with reckless disregard of whether they were false or not.**
>
> x x x x
>
> **Damages, in our view, could not simply arise from an inaccurate or false statement without irrefutable proof of actual malice as element of the assailed publication.**[79] (Emphasis and underscoring supplied)

Similarly in *Yambot v. Tuquero*,[80] the Court ruled:

> The questioned portion of the news article, **while unfortunately not quite accurate, on its own, is insufficient to establish the element of malice in libel cases. We have held that malice connotes ill will or spite and speaks not in response to duty but merely to injure the reputation of the person defamed, and implies an intention to do ulterior and unjustifiable harm**. Malice is present when it is shown that the author of the libelous remarks made such remarks with knowledge that it was false or with reckless disregard as to the truth or falsity thereof.
>
> The lack of malice on the part of the PDI Staff in the quoting of Mendoza's allegation of a sexual harassment suit is furthermore patent in the tenor of the article: it was **a straightforward narration, without any comment from the reporter**, of the alleged mauling incident involving Judge Cruz.[81] (Emphasis and underscoring supplied)

In the present case, there is likewise no proof that the publication of the subject article was made to harass, vex, or humiliate Enrile. Also, as previously discussed, the article was a straightforward narration: a plain report that "a person said this," although it was erroneously attributed to a person who did not utter the statements.

It bears emphasis that the Court, in this case, is asked to rule on the established facts, with the prevailing laws and doctrines on libel as its legal backdrop. From the foregoing principles discussed above, the Court therefore holds that the petitioners in this case did not commit libel.

A final note

---

79 *Villanueva v. Philippine Daily Inquirer*, supra note 26, at 17-18.
80 Supra note 27.
81 Id. at 609-610.

This is not the first time that the Court has been asked to strike a balance between freedom of the press and the limits thereof in relation to libel. Indeed, as the Court, in *Borjal*, noted: Never in jurisprudential history has any freedom of man undergone radical doctrinal metamorphoses than his right to freely and openly express his views.[82]

While the Court, once again, through this case, finds the scales of justice tilted in favor of the freedom of the press, the Court perceives nevertheless that the time is ripe to remind media practitioners of the importance of their adherence to the ethical standards demanded by their profession. The Court thus reiterates its reminder in *Borjal*:

> We must however take this opportunity to likewise remind media practitioners of the high ethical standards attached to and demanded by their noble profession. The danger of an unbridled irrational exercise of the right of free speech and press, that is, in utter contempt of the rights of others and in willful disregard of the cumbrous responsibilities inherent in it, is the eventual self-destruction of the right and the regression of human society into a veritable Hobbesian state of nature where life is short, nasty and brutish. Therefore, to recognize that there can be no absolute "unrestraint" in speech is to truly comprehend the quintessence of freedom in the marketplace of social thought and action, genuine freedom being that which is limned by the freedom of others. If there is freedom *of* the press, ought there not also be freedom *from* the press? It is in this sense that *self-regulation* as distinguished from *self-censorship* becomes the ideal mean for, as Mr. Justice Frankfurter has warned, "[W]ithout x x x a lively sense of responsibility, a free press may readily become a powerful instrument of injustice."
>
> Lest we be misconstrued, this is not to diminish nor constrict that space in which expression freely flourishes and operates. For we have always strongly maintained, as we do now, that freedom of expression is man's birthright — constitutionally protected and guaranteed, and that it has become the singular role of the press to act as its "*defensor fidei*" in a democratic society such as ours. But it is also worth keeping in mind that *the press is the servant, not the master, of the citizenry, and its freedom does not carry with it an unrestricted hunting license to prey on the ordinary citizen.*[83]

In this connection, the Court declares its continued recognition of the right of every citizen to enjoy a good name and reputation.[84] The Court, however, is equally cognizant of the important role that the continuing guarantee of the freedom of the press serves to our nation.

As the words of Justice Malcolm, in the early case of *U.S. v. Bustos*[85] remind us:

---

82 Supra note 47, at 10.
83 Id. at 31-32.
84 Supra note 1.
85 37 Phil. 731 (1918).

> The interest of society and the maintenance of good government demand a full discussion of public affairs. Complete liberty to comment on the conduct of public men is a scalpel in the case of free speech. The sharp incision of its probe relieves the abscesses of officialdom. Men in public life may suffer under a hostile and an unjust accusation; the wound can be assuaged with the balm of a clear conscience. A public officer must not be too thin-skinned with reference to comment upon his official acts. Only thus can the intelligence and dignity of the individual be exalted. Of course, criticism does not authorize defamation. Nevertheless, as the individual is less than the State, so must expected criticism be born for the common good.[86]

WHEREFORE, premises considered, the Petition for Review on *Certiorari* is hereby **GRANTED**. The Decision dated August 22, 2016, and Resolution dated January 18, 2017 issued by the Court of Appeals in CA-G.R. CV No. 102710 are hereby **REVERSED** and **SET ASIDE**.

SO ORDERED.

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

WE CONCUR:

ALEXANDER G. GESMUNDO
Chief Justice
Chairperson

ROSMARI D. CARANDANG
Associate Justice

RODIL V. ZALAMEDA
Associate Justice

SAMUEL H. GAERLAN
Associate Justice

---

86 Id. at 740-741.

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.

ALEXANDER G. GESMUNDO
Chief Justice