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Wilfredo V. Lapid
WILFREDO V. LAPIDAN
Division Clerk of Court
Third Division
DEC 03 2018



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

**ROBUSTUM AGRICULTURAL
CORPORATION,**

Petitioner,

G.R. No. 221484

Present:

- versus -

PERALTA, J., *Chairperson*,
LEONEN,
GISMUNDO,*
REYES, J., JR., and
HERNANDO,* JJ.

**DEPARTMENT OF AGRARIAN
REFORM and LAND BANK OF
THE PHILIPPINES,**

Respondents.

Promulgated:

November 19, 2018

X-----*Wilfredo V. Lapid*-----X

DECISION

PERALTA, J.:

This is an appeal¹ from the Orders dated June 11, 2015² and September 28, 2015³ of the Regional Trial Court (RTC), Branch 69, of Silay City in Civil Case No. 2915-69.

The facts:

Petitioner Robustum Agricultural Corporation is the registered owner of a 50,000-square meter parcel of agricultural land (*subject land*) in Silay

* On wellness leave.

¹ *Rollo*, pp. 3-18. The appeal was filed as a Petition for Review on *Certiorari* under Rule 45 of the Rules of Court.

² *Id.* at 22-23. Penned by Presiding Judge Felipe G. Banzon.

³ *Id.* at 24-27.

without the required DAR Clearance under DAR Administration (*sic*) Order No. 1, Series of 1989, on June 17, 1999 per Transfer [Certificate] of Title No. T-15256 covering an area of 5.0000 hectares under Lot No. 680-B-6-B-1.

As a subsequent transferee, we shall include you as “alternative land owner and payee” in the documentation of the claimfolder (*sic*), the issuance of memorand[um] of [v]aluation and the payment of compensation proceeds for the abovementioned land under CARP. The Land Bank of the Philippines shall release the proceeds of just compensation covering the landholding or portion thereof to the qualified payee or entity who is the registered landowner by virtue of the deed of conveyance which shall be considered as the Deed of Assignment of the proceeds thereof.

Further, you may exercise the privilege to submit your duly attested list of lessees, tenant, and/or regular [f]arm workers subject to the prescriptive period provided in the NOC. You are not allowed to exercise the right of retention in your own right, but may avail of the Five (5) hectare retained area of the former owner and avail his right to nominate preferred beneficiaries, if any provided no actual tenants/lessees/shall be displaced.

TERESITA R. MABUNAY (original signed)
Provincial Agrarian Reform Officer II

Apparently, petitioner refused to receive the foregoing letter, as well as the notice of coverage¹¹ attached thereto.

On June 11, 2014, the DAR issued another notice of coverage¹² that identified the mother estate and the subject land, as well as several other agricultural lands in Negros Occidental, as subject to the government’s agrarian reform program. This notice was published the following day in an issue of the Philippine Star.¹³

On August 14, 2014, petitioner filed before the RTC of Silay City a petition for quieting of title and declaratory relief¹⁴ against the DAR and the Land Bank of the Philippines (*LBP*).¹⁵ Therein, petitioner questioned the efficacy of the notice coverage published by the DAR. Petitioner reckoned such notice as ineffective on two (2) accounts:

¹¹ *Id.* at 172.

¹² *Id.* at 186-189.

¹³ A newspaper of general circulation.

¹⁴ *Rollo*, pp. 40-46.

¹⁵ The LBP is a government bank vested with the primary responsibility to determine valuation and compensation for all lands covered under the agrarian reform program.

First. The notice of coverage — for being merely published in a newspaper of general circulation — was not properly served.¹⁶ The publication of the said notice was not preceded by any attempt on the part of the DAR to effect personal service of the same. Such immediate resort to publication, in turn, violates Section 16 of DAR Administrative Order (AO) No. 07-11 which prescribes personal service as the “*primary*” means of serving notices of coverage.¹⁷

Second. Even assuming that the notice of coverage was properly served by publication, the same still cannot be enforced as against the subject land. Such notice remains infirm because it was never posted at a conspicuous place within the subject land and on a bulletin board in the city or barangay hall, where the subject land is located, for seven (7) days, as required under Section 19 of DAR AO No. 07-11.¹⁸

Verily, petitioner prayed that the subject land be declared free from the coverage of the agrarian reform program, and that the DAR and the LBP be restrained from taking or performing any actions against the subject land pursuant to, or in implementation of, the published notice of coverage.¹⁹

The DAR and the LBP filed individual answers in due course.²⁰

The DAR and the LBP shared a common objection against the jurisdiction of the RTC. Both contended that the RTC lacked jurisdiction to hear and decide the petition, pointing out that the issues raised therein but pertain to matters of “*implementation of the [agrarian reform program]*”²¹ which belong to the exclusive competence of the DAR to determine. In support, the DAR and the LBP cite Section 50 of Republic Act (RA) No. 6657, to wit:

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

The RTC sided with the DAR and the LBP. On June 11, 2015, the RTC issued an Order dismissing the petition on the ground of lack of

¹⁶ *Rollo*, pp. 43-44.

¹⁷ *Id.* at 41-42.

¹⁸ *Id.* at 43.

¹⁹ *Id.* at 45.

²⁰ *Id.* at 47-50 and 53-69.

²¹ *Id.* at 47-48, 55-57, citing *Department of Agrarian Reform v. Cuenca*, 482 Phil. 208 (2004).

jurisdiction.²² Petitioner filed a motion for reconsideration, but the RTC remained steadfast.²³

Hence, this direct appeal on a pure question of law.

Petitioner questions the RTC's supposed lack of jurisdiction to take cognizance of the petition for quieting of title and declaratory relief. While it concedes that the petition does involve a matter of agrarian law implementation, petitioner insists that the RTC nonetheless has jurisdiction over the same in light of Section 30 of RA No. 9700 that reads:

SECTION 30. Resolution of Cases. — Any case and/or proceeding involving the implementation of the provisions of Republic Act No. 6657, as amended, which may remain pending on June 30, 2014 shall be allowed to proceed to its finality and be executed even beyond such date.

Petitioner postulates that Section 30 of RA No. 9700 limited the jurisdiction of the DAR over agrarian law implementation cases. As worded, the provision only allows the DAR to exercise its jurisdiction over such cases that are already pending as of June 30, 2014.²⁴ This, according to petitioner, means that the DAR no longer has any authority, much less exclusive jurisdiction, to take cognizance of agrarian law implementation cases that have been filed *after* the statutory cut-off date of June 30, 2014.²⁵ It also means, petitioner adds, that jurisdiction over these cases are now, as they should be, deemed vested with the regular courts.

Accordingly, petitioner submits that its present petition for quieting of title and declaratory relief — given that it was only filed on August 14, 2015 — rightfully falls under the jurisdiction of the RTC.

OUR RULING

Petitioner misunderstands Section 30 of RA No. 9700.

Section 30 of RA No. 9700 did not vest any kind of jurisdiction over any kind of case unto the regular courts. By its language, the provision is simply an authorization for the DAR to continue to process, bring to finality and execute “[a]ny case [or] proceeding involving the implementation of the [agrarian reform law]” already pending as of June 30, 2014 even beyond the said date. Nothing more.

²² *Supra* note 2.

²³ *Supra* note 3.

²⁴ *Rollo*, pp. 9-13.

²⁵ *Id.*

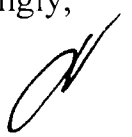
One of the “*proceeding[s] involving the implementation of the [agrarian reform law]*” contemplated under Section 30 of RA No. 9700 is that for compulsory land acquisition and distribution pursuant to Section 16 of RA No. 6657, as amended. Per established DAR regulations, a proceeding for compulsory land acquisition and distribution is deemed commenced by the *issuance* of a notice of coverage.

Here, two (2) notices of coverage involving the subject land have already been issued before June 30, 2014. The first is the original notice of coverage for the mother estate referred to, and attached in, PARO II Mabunay’s *Transmittal of NOC to the Landowner-Transferee/s* dated December 5, 2013. Another is the published notice of coverage dated June 11, 2014. The issuances of these notices indicate that a proceeding for compulsory land acquisition and distribution against PAI and petitioner, concerning the mother estate and the subject land, was already pending before June 30, 2014. As such, the DAR maintains its authority to bring the said proceeding into conclusion pursuant precisely to Section 30 of RA No. 9700.

Given this context, it becomes apparent why the petition *a quo*, notwithstanding the date of its filing, must fail. The petition — as both parties readily concede — is a mere challenge to the efficacy of the notice of coverage published by the DAR. This kind of challenge, however, is undoubtedly a matter involving the implementation of agrarian reform which is only part and parcel of a proceeding for compulsory land acquisition and distribution.

Since the sole question raised in the petition is really only an agrarian reform matter *incidental* to an on-going proceeding for compulsory land acquisition and distribution, jurisdiction to resolve the same — as is the case for the main proceeding itself — must rest too with the DAR. The authority given to the DAR under Section 30 of RA No. 9700 to conclude any agrarian reform proceeding pending as of June 30, 2014, *by necessity*, includes an authority for the same to continue exercising its quasi-judicial powers under Section 50 of RA No. 6657 with respect to any agrarian reform matter or controversy that may arise in such proceeding.

In these lights, we find that the RTC only acted correctly in refusing to take cognizance of the petition *a quo*. The issue proffered by such petition belongs to the exclusive jurisdiction of the DAR. We, accordingly, deny the appeal.



I

The crux of the controversy lies in the interpretation of Section 30 of RA No. 9700. To fully grasp its import, however, the provision has to be viewed together with the law of which it is a part of.

RA No. 9700 and the Import of Section 30 of the Law

RA No. 9700 is an amendatory act to RA No. 6657 — the country's agrarian reform law. It was enacted in 2009 for the purpose of instituting reforms that aim to strengthen and accelerate the implementation of the agrarian reform program as set forth in RA No. 6657.²⁶ One of the most significant amendments introduced by RA No. 9700 in this regard is its extension and limitation of the period within which land may be acquired and distributed under the said program.

Prior to RA No. 9700, the period for land acquisition and distribution under the agrarian reform program was scheduled to culminate by the end of 2008, pursuant to Section 1 of RA No. 8532.²⁷ RA No. 9700, however, extended such period for another five (5) years — from 2009 up to June 30, 2014.²⁸ This is apparent under Section 5 of the law which amended Section 7 of RA No. 6657, to wit:

SECTION 5. Section 7 of Republic Act No. 6657, as amended, is hereby further amended to read as follows:

SEC. 7. Priorities. - The DAR, in coordination with the Presidential Agrarian Reform Council (PARC) shall plan and program the final acquisition and distribution of all remaining unacquired and undistributed agricultural lands from the effectivity of this Act until June 30, 2014. Lands shall be acquired and distributed as follows:

x x x x

x x x Land acquisition and distribution shall be completed by June 30, 2014 on a province-by- province basis.

²⁶ The full title of RA No. 9700 reads: "*An Act Strengthening the Comprehensive Agrarian Reform Program (CARP), Extending the Acquisition and Distribution of All Agricultural Lands, Instituting Necessary Reforms, Amending for the Purpose Certain Provisions of Republic Act No. 6657, Otherwise, Known as the Comprehensive Agrarian Reform Law of 1988, as Amended, and Appropriating Funds Therefor.*"

²⁷ See also *Department of Agrarian Reform, et al. v. Woodland Agro-Development, Inc.*, 762 Phil. 104 (2015).

²⁸ Section 5 of RA No. 9700.

In any case, the PARC or the PARC Executive Committee (PARC EXCOM), upon recommendation by the Provincial Agrarian Reform Coordinating Committee (PARCCOM), may declare certain provinces as priority land reform areas, in which case the acquisition and distribution of private agricultural lands therein under advanced phases may be implemented ahead of the above schedules on the condition that prior phases in these provinces have been completed: Provided, That notwithstanding the above schedules, phase three (b) shall not be implemented in a particular province until at least ninety percent (90%) of the provincial balance of that particular province as of January 1, 2009 under Phase One, Phase Two (a), Phase Two (b), and Phase Three (a), excluding lands under the jurisdiction of the Department of Environment and Natural Resources (DENR), have been successfully completed. (Emphasis supplied.)

Though it is couched in mandatory language, however, the directive in the above provision requiring the *completion*, and thus the termination, of all land acquisition and distribution activities by June 30, 2014 is *not* absolute. Such directive, it must be considered, is qualified by another provision in RA No. 9700. **That provision is Section 30 of RA No. 9700:**

SECTION 30. Resolution of Cases. — Any case and/or proceeding involving the implementation of the provisions of Republic Act No. 6657, as amended, which may remain pending on June 30, 2014 shall be allowed to proceed to its finality and be executed even beyond such date.

Under Section 30 of RA No. 9700, “[a]ny case [or] proceeding involving the implementation of the [agrarian reform law]” is allowed to “proceed to its finality and be executed” even beyond June 30, 2014, so long as such case or proceeding is already pending as of that date. To our mind, the phrase “proceeding involving the implementation of the [agrarian reform law]” is broad enough to include the entire process of land acquisition and distribution under the agrarian reform program. The plain text of the provision allows us to believe as much.

The term “proceeding,” in its plain and generic sense, means “any act or step that is part of a larger whole.”²⁹ Hence, when that term is used in conjunction with the qualifying words “involving the implementation of the [agrarian reform law],” the resulting phrase can only denote **an act or step taken by the DAR pertaining to the implementation of the agrarian reform law**. The process of land acquisition and distribution, to no controversy, is one such step — if not the core step — in the implementation of the agrarian reform law.

Appreciated thusly, it can be said that Section 30 of RA No. 9700 essentially clarifies the parameters of the extension of the period for land

²⁹ Black’s Law Dictionary, 8th edition.

acquisition and distribution granted in the law. RA No. 9700 did not intend to fix June 30, 2014 as an absolute deadline for the completion and cessation of all land acquisition and distribution proceedings; the law rather sets the said date as **the final date when such proceedings may be initiated by the DAR**. This is the import of Section 30 of RA No. 9700.

Proceedings for Compulsory Land Acquisition and Distribution Initiated by the Issuance of a Notice of Coverage

Land acquisition and distribution under the agrarian reform law is either voluntary or compulsory.³⁰ The procedure for *compulsory* land acquisition and distribution, on the other hand, is laid out in Section 16 of RA No. 6657, as amended. The full provision reads:

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

- (a) **After having identified the land, the landowners and the beneficiaries**, the DAR shall send its notice to acquire the land to the owners thereof, by personal delivery or registered mail, and post the same in a conspicuous place in the municipal building and barangay hall of the place where the property is located. Said notice shall contain the offer of the DAR to pay a corresponding value in accordance with the valuation set forth in Sections 17, 18, and other pertinent provisions hereof.
- (b) Within thirty (30) days from the date of receipt of written notice by personal delivery or registered mail, the landowner, his administrator or representative shall inform the DAR of his acceptance or rejection of the offer.
- (c) If the landowner accepts the offer of the DAR, the Land Bank of the Philippines (LBP) shall pay the landowner the purchase price of the land within thirty (30) days after he executes and delivers a deed of transfer in favor of the government and surrenders the Certificate of Title and other muniments of title.
- (d) In case of rejection or failure to reply, the DAR shall conduct summary administrative proceedings to determine the compensation for the land requiring the landowner, the LBP and other interested parties to submit evidence as to the just compensation for the land, within fifteen (15) days from the receipt of the notice. After the expiration of the above period, the matter is deemed submitted for decision. The DAR shall decide the case within thirty (30) days after it is submitted for decision.

³⁰

Roxas & Co., Inc. v. Court of Appeals, 378 Phil. 727 (1999).

- (e) Upon receipt by the landowner of the corresponding payment or, in case of rejection or no response from the landowner, upon the deposit with an accessible bank designated by the DAR of the compensation in cash or in LBP bonds in accordance with this Act, the DAR shall take immediate possession of the land and shall request the proper Register of Deeds to issue a Transfer Certificate of Title (TCT) in the name of the Republic of the Philippines. The DAR shall thereafter proceed with the redistribution of the land to the qualified beneficiaries.
- (f) Any party who disagrees with the decision may bring the matter to the court of proper jurisdiction for final determination of just compensation. (Emphasis supplied.)

Per the provision, a proceeding for compulsory land acquisition and distribution starts with the *identification* of the land sought to be placed under the coverage of the agrarian reform program, as well as of the land's owner and of the prospective beneficiaries. It is notable, however, that neither RA No. 6657 nor any other law, for that matter, makes any mention as to *how* this identification phase is to be carried out.³¹ To fill in this gap, the DAR formulated regulations that introduced the issuance of notices of coverage.³² In *Roxas & Co., Inc. v. Court of Appeals*,³³ we detailed the genesis of these regulations:

x x x Under Section 16 of the CARL, the first step in compulsory acquisition is the identification of the land, the landowners and the beneficiaries. However, the law is silent on how the identification process must be made. To fill in this gap, the DAR issued on July 26, 1989 **Administrative Order No. 12, Series of 1989**, which set the operating procedure in the identification of such lands. x x x

x x x x

Administrative Order No. 12, Series of 1989 requires that the Municipal Agrarian Reform Officer (MARO) keep an updated master list of all agricultural lands under the CARP in his area of responsibility containing all the required information. The MARO prepares a Compulsory Acquisition Case Folder (CACF) for each title covered by CARP. **The MARO then sends the landowner a "Notice of Coverage" and a "letter of invitation" to a "conference/meeting" over the land covered by the CACF.** x x x

x x x x

DAR A.O. No. 12, Series of 1989, from whence the Notice of Coverage first sprung, was amended in 1990 by DAR A.O. No. 9, Series of 1990 and in 1993 by DAR A.O. No. 1, Series of 1993. The Notice of Coverage and letter of invitation to the conference meeting were expanded and amplified in said amendments.

³¹ *Id.*

³² *Id.*

³³ *Id.* at 758-770.

x x x x


DAR A.O. No. 9, Series of 1990 lays down the rules on both Voluntary Offer to Sell (VOS) and Compulsory Acquisition (CA) transactions involving lands enumerated under Section 7 of the CARL. In both VOS and CA transactions, the MARO prepares the Voluntary Offer to Sell Case Folder (VOCF) and the Compulsory Acquisition Case Folder (CACF), as the case may be, over a particular landholding. The MARO notifies the landowner as well as representatives of the LBP, BARC and prospective beneficiaries of the date of the ocular inspection of the property at least one week before the scheduled date and invites them to attend the same. The MARO, LBP or BARC conducts the ocular inspection and investigation by identifying the land and landowner, determining the suitability of the land for agriculture and productivity, interviewing and screening prospective farmer beneficiaries. Based on its investigation, the MARO, LBP or BARC prepares the Field Investigation Report which shall be signed by all parties concerned. In addition to the field investigation, a boundary or subdivision survey of the land may also be conducted by a Survey Party of the Department of Environment and Natural Resources (DENR) to be assisted by the MARO. This survey shall delineate the areas covered by Operation Land Transfer (OLT), areas retained by the landowner, areas with infrastructure, and the areas subject to VOS and CA. **After the survey and field investigation, the MARO sends a "Notice of Coverage" to the landowner or his duly authorized representative inviting him to a conference or public hearing with the farmer beneficiaries, representatives of the BARC, LBP, DENR, Department of Agriculture (DA), non-government organizations, farmer's organizations and other interested parties.** x x x

x x x x

DAR A.O. No. 1, Series of 1993, modified the identification process and increased the number of government agencies involved in the identification and delineation of the land subject to acquisition. This time, the Notice of Coverage is sent to the landowner before the conduct of the field investigation and the sending must comply with specific requirements. (Emphasis supplied; citations omitted.)

Though more streamlined, the current iteration of these regulations — DAR AO No. 07-11 or the *2011 Revised Rules and Procedure Governing the Acquisition and Distribution of Private Agricultural Lands Under RA No. 6657, as Amended* — maintains the gist of its predecessors:

SECTION 3. LAD CARP Extension with Reform (CARPER) Balance Database and List of Lands with NOCs. Upon the effectivity of these Rules, the DAR Provincial Office (DARPO) shall provide the DAR Municipal Office (DARMO) with a copy of the relevant portion of the LAD CARP Extension with Reform (CARPER) balance database, which lists down the LAD balances under the DARMO's area of jurisdiction, and the schedule of coverage of each landholding therein. The generated list of landholdings must be grouped according to the prioritized phasing under Section 7 of R.A. No. 6657, as amended, and Section 5 of this A.O.

x x x x 

Landholdings not listed in the LAD CARPER Balance Database may be included in the said database upon issuance of the Provincial Agrarian Reform Officer's (PARO) Certification of Coverage and the Provincial Agrarian Reform Coordinating Committee (PARCCOM) Resolution, duly approved by the LAD Balance Technical Review Committee pursuant to Memorandum Circular (M.C.) No. 8, Series of 2010.

x x x x

SECTION 15. Issuance of Notice of Coverage. The [notice of coverage] shall be issued to the registered landowner (RLO) of the landholding, as stated in the Transfer Certificate of Title (TCT) or Original Certificate of Title (OCT), or, in case of untitled private agricultural lands, the Tax Declaration, preferably not later than one hundred and eighty (180) days prior to the first day of the scheduled date of acquisition and distribution as provided for in Section 5 of this Rule.

In case the RLO stated in the TCT or OCT is different from that stated in the Tax Declaration, the NOC shall be served to the RLO stated in the TCT or OCT.

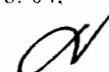
As can be observed from the above regulations, the identification phase is actually preceded by a *preliminary* identification and determination by the DAR of the land or lands covered by the agrarian reform program. The exact manner by which the DAR performs this preliminary step had, in turn, varied over the years. Since 2009, however, the DAR primarily bases its preliminary identification from the Land Acquisition and Distribution database which includes a "*balance*" list or a list of all agricultural landholdings that are supposedly covered by the agrarian reform program, but have not undergone land acquisition and distribution proceedings or been made the subject of a voluntary offer.³⁴

During the preliminary identification, a formal proceeding for compulsory land acquisition and distribution cannot be considered to have been commenced as yet. All that has been done at this point is merely preparatory and, by itself, will not work any real prejudice to any third party. The real initiation of the identification phase and, hence, of a proceeding for compulsory land acquisition and distribution comes after.

After its preliminary identification of a land as subject to the agrarian reform program, the DAR issues a notice of coverage for that land.

A notice of coverage is a document that aims to inform the landowner that his land has been determined by the DAR, on the basis of the latter's preliminary identification, to be under the coverage of the agrarian reform

³⁴ Section 3 of DAR AO No. 07-11, in relation to Section 2 of DAR Memorandum Circular No. 04, series of 2014.



program.³⁵ Under DAR AO No. 07-11, a notice of coverage also informs the landowner of:³⁶

1. his remedies against the notice — such as filing a protest on coverage or a petition for exemption or exclusion — and the period within which he could avail of them;
2. his rights under the agrarian reform law — such as the right to retain and to nominate preferred beneficiaries — including how and until when can they be enforced; *and*
3. his concomitant obligations — such as the submission to the DAR of the list of agricultural lessees, regular or seasonal farmers and/or tenants of the land, if any, as well of other documentary requirements — and the period within which they should be complied.

Under DAR AO No. 01-03 or the *2003 Rules Governing the Issuance of Notice of Coverage and Acquisition of Agricultural Lands Under RA 6657*, the issuance of a notice of coverage was recognized as the starting point of a proceeding for compulsory land acquisition and distribution under the agrarian reform program:

PREFATORY STATEMENT

The Notice of Coverage (NOC) commences the compulsory acquisition of private agricultural lands coverable under the Comprehensive Agrarian Reform Program (CARP). x x x

PROCEDURE

1. Commencement

1.1. *Commencement by the Municipal Agrarian Reform Officer (MARO)* — After determining that a landholding is coverable under the CARP, and upon accomplishment of the Pre-Ocular Inspection Report, the MARO shall prepare the NOC (CARP Form No. 5-A).

The significance thus given to a notice of coverage in compulsory land acquisition and distribution is easy to understand. In a proceeding for *compulsory* land acquisition and distribution, as opposed to a voluntary one, the initiative to place a landholding within the coverage of agrarian reform comes from the DAR. And a notice of coverage, as is evident from the regulations enacted by the DAR, is really the first document that manifests **the categorical intent of the DAR to pursue a land as being subject to**

³⁵ Section 15 of DAR AO No. 07-11.

³⁶ *Id.*



the agrarian reform program. The issuance of such notice cements and formalizes this intent.

It bears stressing that the issuance of a notice of coverage only *initiates* a proceeding for compulsory land acquisition and distribution. The date of issuance of such notice is, thus, useful only in determining the **date of commencement of such proceeding** — which is particularly relevant for purposes of applying Section 30 of RA No. 9700.

In order for the DAR to proceed further and acquire jurisdiction over the landholding identified in a notice of coverage as well as the landowner, however, there must first be proper **service** and **posting** of the notice of coverage in accordance with Sections 16 to 20 of DAR AO No. 07-11.

II

By viewing Section 30 of RA No. 9700 in the proper light, the error in petitioner's contention surfaces.

A Proceeding for Compulsory Land Acquisition Against Petitioner Concerning the Subject Land Already Existed Before June 30, 2014

Going back to the facts of the case, we are able to ascertain that the DAR was already able to issue two (2) notices of coverage involving the subject land before June 30, 2014. They are:

First. The original notice of coverage pertaining to the mother estate that was referred to, and attached in, PARO II Mabunay's *Transmittal of NOC to the Landowner-Transferee/s*.³⁷ This notice was necessarily issued prior to June 30, 2014 since the *Transmittal of NOC to the Landowner-Transferee/s*, which makes mention of the same, was itself dated December 5, 2013.

Second. The notice of coverage was published in the June 12, 2014 issue of the Philippine Star.³⁸ This notice was dated June 11, 2014.³⁹



³⁷ *Supra* note 7.

³⁸ *Supra* note 12.

³⁹ *Id.* at 189.

The above circumstances indicate with no uncertainty that a **proceeding for compulsory land acquisition and distribution against PAI and petitioner, concerning the mother estate and the subject land, has already been initiated, at the latest, on June 11, 2014.** As this particular proceeding was already pending as of June 30, 2014, it follows that the DAR maintains the authority to bring the said proceeding into conclusion pursuant precisely to Section 30 of RA No. 9700.

***The Continued Authority of the DAR
Over the Proceeding for Land
Acquisition and Distribution is Fatal
to the Petition A Quo***

The existence of an on-going proceeding for land acquisition and distribution involving the mother estate and the subject land is, in turn, fatal to petitioner's petition for quieting of title and declaratory relief.

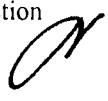
The grant of authority upon the DAR to conclude a "*proceeding involving the implementation of the [agrarian reform law]*" pending as of June 30, 2014 under Section 30 of RA No. 9700, like any statutory grant of authority, must be deemed to include all such powers, even those not expressly stated, that are *necessary* to effectuate the granted authority.⁴⁰ This construction is justified by the doctrine of necessary implication:⁴¹

No statute can be enacted that can provide all the details involved in its application. There is always an omission that may not meet a particular situation. What is thought, at the time of enactment, to be an all-embracing legislation may be inadequate to provide for the unfolding events of the future. So-called gaps in the law develop as the law is enforced. One of the rules of statutory construction used to fill in the gap is the doctrine of necessary implication. **The doctrine states that what is implied in a statute is as much a part thereof as that which is expressed. Every statute is understood, by implication, to contain all such provisions as may be necessary to effectuate its object and purpose, or to make effective rights, powers, privileges or jurisdiction which it grants, including all such collateral and subsidiary consequences as may be fairly and logically inferred from its terms. *Ex necessitate legis.* And every statutory grant of power, right or privilege is deemed to include all incidental power, right or privilege.** This is so because the greater includes the lesser, expressed in the maxim, *in eo plus sit, semper inest et minus.* (Emphasis supplied; citations omitted.)

Accordingly, the authority of the DAR to bring to completion a proceeding for land acquisition and distribution initiated prior to June 30,

⁴⁰ *Chua v. Civil Service Commission*, 282 Phil. 970, 986-987 (1992), citing *Statutory Construction* by Ruben E. Agpalo, 1986 ed., pp. 118-119.

⁴¹ *Id.*



2014 must be deemed inclusive of a **coordinate authority to continue exercising its quasi-judicial powers under Section 50 of RA No. 6657 with respect to agrarian reform controversies that may arise from such proceeding.** It may be recalled that Section 50 of RA No. 6657 had previously vested the DAR with broad quasi-judicial powers over agrarian reform issues; being given “*primary jurisdiction to determine and adjudicate agrarian reform matters*” as well as “*exclusive original jurisdiction over all matters involving the implementation of agrarian reform [otherwise not solely cognizable by] the Department of Agriculture (DA) and the Department of Environment and Natural Resources,*” to wit:

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

A look at the petitioner’s petition for quieting of title and declaratory relief,⁴² on the other hand, reveals that the sole issue raised therein pertains merely to the efficacy of the notice of coverage dated June 11, 2014 which was published by the DAR. This kind of issue, however, is undoubtedly a matter “*involving the implementation of agrarian reform.*”⁴³ The case of *Department of Agrarian Reform v. Cuenca*⁴⁴ was certain of this.

In *Department of Agrarian Reform v. Cuenca*,⁴⁵ we held, quite bluntly, that a question pertaining to the propriety of a notice of coverage is one that relates to the implementation of the agrarian reform program and, as such, falls within the exclusive original jurisdiction of the DAR pursuant to Section 50 of RA No. 6657:

A careful perusal of respondent’s Complaint shows that the principal averments and reliefs prayed for refer — not to the “pure question of law” spawned by the alleged unconstitutionality of EO 405 — but to the annulment of the DAR’s Notice of Coverage. **Clearly, the main thrust of the allegations is the propriety of the Notice of Coverage,** as may be gleaned from the following averments, among others:

x x x x

To be sure, the issuance of the Notice of Coverage constitutes the first necessary step towards the acquisition of private land under the CARP. **Plainly then, the propriety of the Notice relates to the implementation of the CARP, which is under the quasi-judicial**

⁴² *Supra* note 14.
⁴³ Section 50 of RA No. 6657, as amended
⁴⁴ 482 Phil. 208 (2004).
⁴⁵ *Id.*



jurisdiction of the DAR. Thus, the DAR could not be ousted from its authority by the simple expediency of appending an allegedly constitutional or legal dimension to an issue that is clearly agrarian.⁴⁶
(Emphasis supplied; citations omitted.)

Pertinently, the exclusive original jurisdiction of the DAR over cases involving implementation of the agrarian reform law is currently operationalized in DAR AO No. 03-17 or the *2017 Rules for Agrarian Law Implementation (ALI) Cases*. And one of the agrarian law implementation cases that the DAR may take cognizance of under the said regulation is a “*petition to lift notice of coverage*.” Per Section 12.2 of DAR AO No. 03-17, a petition to lift notice of coverage may be filed before a DAR Municipal Office within sixty (60) calendar days from receipt of the notice of coverage:

Section 12. Commencement of an Action.

X X X X

12.2 After issuance of notice of coverage - Commencement shall be at the DAR Municipal Office (DARMO). When the applicant/petitioner commences the case at any other DAR office, the receiving office shall transmit the case folder to the DARMO or proper DAR office in accordance with the pertinent order and/or circular governing the subject matter. Only the real-party-in interest may file a protest/opposition or petition to lift CARP coverage and may only do so within sixty (60) calendar days from receipt of the notice of coverage; a protesting party who receives the notice of coverage by newspaper publication shall file his protest / opposition / petition within sixty (60) calendar days from publication date; failure to file the same within the period shall merit outright dismissal of the case.

A petition to lift the notice of *coverage* under the cited regulation is clearly the proper remedial forum whereby an aggrieved landowner can raise issues contesting the validity or efficacy of a notice of coverage. This, for all intents and purposes, is the remedy that petitioner should have availed of.

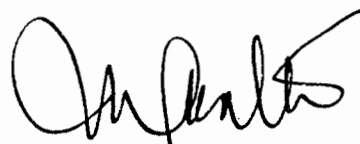
Since the sole question raised in the petition *a quo* is really only an agrarian reform matter that arose from an on-going proceeding for compulsory land acquisition and distribution, jurisdiction to resolve the same — as is the case for the main proceeding itself — must rest too with the DAR. As already pointed out, the authority given to the DAR under Section 30 of RA No. 9700 to conclude any agrarian reform proceeding pending as of June 30, 2014, *by necessity*, includes an authority for the same to continue exercising its quasi-judicial powers under Section 50 of RA No. 6657 with respect to any agrarian reform matter or controversy that may arise in such proceeding.

⁴⁶ *Id.* at 223-226.

In these lights, we find the RTC's dismissal of the petition *a quo* in order. The issue proffered by such petition belongs to the exclusive jurisdiction of the DAR, pursuant to Section 50 of RA No. 6657 and in relation to Section 30 of RA No. 9700.


WHEREFORE, premises considered, the instant appeal is **DENIED**. The Orders dated June 11, 2015 and September 28, 2015 of the Regional Trial Court, Branch 69, of Silay City in Civil Case No. 2915-69, insofar as they effectively dismissed the petition for quieting of title and declaratory relief filed by petitioner Robustum Agricultural Corporation, are **AFFIRMED**.

SO ORDERED.

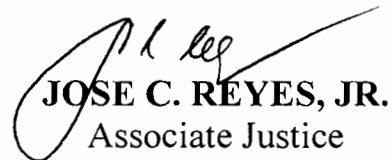


DIOSDADO M. PERALTA
Associate Justice

WE CONCUR:


MARVIC M.V.F. LEONEN
 Associate Justice

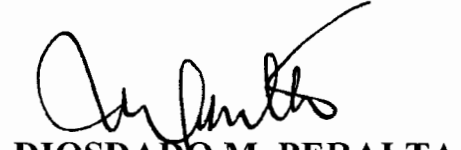
On wellness leave
ALEXANDER G. GESMUNDO
 Associate Justice


JOSE C. REYES, JR.
 Associate Justice

On wellness leave
RAMON PAUL L. HERNANDO
 Associate Justice


ATTESTATION

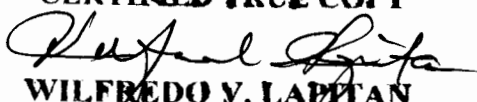
I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


DIOSDADO M. PERALTA
 Associate Justice
 Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


ANTONIO T. CARPIO
 Senior Associate Justice
 (Per Section 12, Republic Act
 No. 296, The Judiciary Act of
 1948, as amended)

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WILFREDO V. LAPID
 Division Clerk of Court
 Third Division
 DEC 03 2018