



Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

**ORLANDO D. GARCIA, AMADO
Q. CALALANG, FERNANDO Q.
CALALANG, and BONIFACIO Q.
CALALANG,**

Petitioners,

- versus -

**SANTOS VENTURA HOCORMA
FOUNDATION, INC.,**

Respondent.

G.R. No. 224831

Present:

PERLAS-BERNABE, *SAJ.*,
Chairperson,
HERNANDO,
INTING,
GAERLAN and
ROSARIO, **JJ.*

Promulgated:

SEP 15 2021

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DECISION

HERNANDO, J.:

This Petition for Review on *Certiorari*¹ seeks the reversal of the May 29, 2015 Decision² and May 23, 2016 Resolution³ of the Court of Appeals (CA) in CA-G.R. SP No. 133690, which affirmed the December 17, 2013 Decision⁴ of the Office of the President (OP) in O.P. Case No. 09-I-469 (DARCO Order No. EX(MR)-0905-133, Series of 2009).

The facts are as follows:

Respondent Santos Ventura Hocorma Foundation, Inc. (SVHFI) is the registered owner of a parcel of land with an area of 25.5699 hectares under

* Designated as additional Member per Special Order No. 2835 dated July 15, 2021.

¹ *Rollo*, pp. 10-27.

² *Id.* at 36-49; penned by Associate Justice Rodii V. Zalameda (now a Member of this Court) and concurred in by Associate Justices Sesinando E. Villon and Pedro B. Corales.

³ *Id.* at 52-57.

⁴ *CA rollo*, p. 42; issued by then Executive Secretary Paquito N. Ochoa, Jr.

Transfer Certificate of Title (TCT) No. 549661-R located in Barangay (Brgy.) Cacutud, Mabalacat, Pampanga.⁵

On the other hand, petitioners Orlando D. Garcia, Amado Q. Calalang, Fernando Q. Calalang, and Bonifacio Q. Calalang (petitioners) are allegedly farmer-beneficiaries under the Comprehensive Agrarian Reform Program (CARP) and recipients of Certificates of Land Ownership Award (CLOA) Nos. 00727588, 00809455, 00727590, 00727591, and 00727592 with TCT Nos. 18619, 19100, 19099, 18623, 18620, and 18624 particularly described as lots 12, 16, 17, 20, 21, and 22 respectively, all of PCS. 03-012487 (AR) situated in Brgy. Catutud, Mabalacat, Pampanga.⁶

On September 20, 2002, the Municipal Agrarian Reform Office (MARO) of Mabalacat, Pampanga sent a Notice of Coverage and Field Investigation to SVHFI,⁷ through its Chief Executive Officer Melchor Raymundo (Raymundo), informing the latter that its above-described property had been identified by the Department of Agrarian Reform (DAR) as a suitable lot for the CARP coverage under the compulsory acquisition scheme.⁸

In a letter-protest dated November 14, 2002, respondent SVHFI, through its attorney-in-fact, Raymundo, alleged the following: (1) SVHFI is the absolute and registered owner of the subject landholding; (2) the landholding being adjacent to the river, lahar prone with deposition, erosion and flooding due to long, continuous, and massive rain especially during rainy season, the same would result to injury and losses to Land Bank of the Philippines (LBP) and to all farmers who will be beneficiaries/recipients of the same; (3) the LBP on several occasions deliberately refused to accept the corresponding claim folder, hence, no future or possible valuations can be made or declared by the same; (4) the placing of the subject landholding under CARP coverage is unconstitutional for being contrary to law, morals, public policy, and would result to damages and injuries to SVHFI; and (5) by reason thereof, said property should be exempted from CARP coverage.⁹ Moreover, SVHFI also sent a letter dated January 22, 2005 addressed to the then DAR Secretary Roberto Pagdanganan (Pagdanganan), asking for the lifting of the coverage and the disqualification of the identified beneficiaries.¹⁰

Meanwhile, the records reveal that the documentation of the claim folder pertaining to the subject landholding was already undertaken and submitted to the LBP on February 24, 2004.¹¹ Subsequently, the LBP issued a

⁵ *Rollo*, p. 14.

⁶ *Id.*

⁷ *CA rollo*, p. 23.

⁸ *Id.* at 52.

⁹ *Id.* at 52-53.

¹⁰ *Id.* at 53.

¹¹ *Id.*

Memorandum of Valuation on April 22, 2004.¹² This led to the issuance of the LBP Certification dated April 20, 2005 stating that the bank had already deposited the amount of ₱2,565,237.77 in cash and in bonds as compensation for 21.4240 hectares of the subject landholding.¹³

Sometime in July 2005, CLOAs were registered and distributed to farmer-beneficiaries covering 6.4515 hectares of the subject property. However, it was discovered that, per the Legal Report submitted by the DARPO-Legal Division, SVHFI had sold the land to the Bases Conversion Development Authority (BCDA) two years after the issuance of the Notice of Coverage.¹⁴

Ruling of the DAR Regional Director:

On January 16, 2006, DAR Officer-in-Charge Regional Director Teofilo Q. Inocencio issued an Order denying the letter-protest of respondent SVHFI on the ground that the subject landholding is an agricultural land and within the coverage of CARP. Furthermore, the Order stated that the SVHFI did not present any strong evidence that would warrant the exemption of the subject landholding from coverage.¹⁵ With regard to the sale of the property between SVHFI and BCDA, the Regional Director held that the same was indicative of bad faith, considering that it was executed two years after the issuance of the notice of coverage and SVHFI did not acquire the necessary clearance from the DAR before the sale was undertaken. According to the Regional Director, the sale was prejudicial to the rights of the farmer-beneficiaries and BCDA should have been cautious enough to inquire into the real status of the landholding before it entered into a contract of sale with SVHFI.¹⁶ The dispositive portion of the Order reads:

WHEREFORE, premises considered, an Order is hereby issued:

1. DENYING herein petition/protest against CARP Coverage filed by Santos, Ventura, Hocorma Foundation, Inc., as represented by Melchor Raymundo for lack of merit.

2. DIRECTING the MARO and PARO to continue with the documentation and distribution to qualified farmer-beneficiaries the remaining portion of **14.9709 hectares, more or less**, of the 21.4224 hectare[-] portion over Lot 554-D-3 covered by TCT No. 549661-R registered in the name of Santos, Ventura, Hocorma Foundation, Inc. with a total area of 25.5699 hectares, located at Brgy. Mamanháng (now Brgy. Cacutud), Mabalacat,

¹² Id. at 46-50 and 53.

¹³ Id. at 51 and 53.

¹⁴ Id. at 53.

¹⁵ Id. at 54.

¹⁶ Id. at 54-55.

Pampanga without prejudice to the right of retention of the landowner, if found to be so qualified.¹⁷

Dissatisfied, SVHFI filed a motion for reconsideration¹⁸ where it averred that the property is no longer devoted to or suitable for agricultural purposes and that the property is now an expressway, given the construction of the Subic-Clark-Tarlac expressway. In an Order dated September 5, 2006, the DAR OIC Regional Director took notice of the said construction, but still affirmed the January 16, 2006 Order and denied SVHFI's motion for reconsideration.¹⁹ Thereafter, an Order of Finality dated November 20, 2006 was issued since no notice of appeal was filed by the parties concerned within the fifteen (15) day reglementary period as provided by law.²⁰

Despite this, however, things took a different turn in 2007. It appears in the records that, on June 28, 2007, petitioners filed a protest/petition before the DAR Center for Land Use Policy, Planning, and Implementation (DAR-CLUPPI).²¹ Meanwhile, respondent SVHFI filed its Sworn Application for Exemption Clearance over the subject property on July 18, 2007.²² Further, SVHFI also filed its Comment to petitioners' protest/petition on August 6, 2007, where it asserted its position that the subject landholding is exempt from CARP coverage pursuant to Department of Justice (DOJ) Opinion No. 44, Series of 1991 in relation to the cases of *Junio v. Garilao* and *Jose Luis Ros v. Department of Agrarian Reform*.²³

Ruling of the DAR Secretary:

On December 10, 2007, then DAR Secretary Pagdanganan issued an Order granting the application for exemption of SVHFI.²⁴ Upon a review of the records of the application and its supporting documents, the DAR Secretary sided with SVHFI and ruled that the subject property had been reclassified to purposes other than agricultural prior to June 15, 1988.²⁵ Pertinently, the DAR Secretary stated:

A close scrutiny of the records of the instant application reveals that indeed, the subject landholdings have been reclassified to purposes other than agricultural prior to June 15, 1988. Thus, its coverage under the program was erroneous, and in direct contravention with the provisions of DOJ 44 which specifically provides that "lands already classified and identified as

¹⁷ Id. at 55; The Order stated 21.4224 hectares but the LBP Memorandum of Valuation and Certification stated 21.4240 hectares.

¹⁸ See *rollo*, p. 40.

¹⁹ CA *rollo*, pp. 57-59.

²⁰ Id. at 60.

²¹ Id. at 162.

²² Id.

²³ Id. at 163; Should be DOJ Opinion No. 44, Series of 1990.

²⁴ Id. at 62-68.

²⁵ Id. at 65.

commercial, industrial, or residential before June 15, 1988 -- the date of the effectivity of the Comprehensive Agrarian Reform program (CARL) -- are outside the coverage of this law.”

To say therefore, that herein applicants no longer have the personality to file the instant application in view of the issuance of the CLOAs to herein Protestants, is not correct. Protestants could not have derived any vested rights over the subject property despite their CLOAs because as earlier said, the coverage of the said properties, which led to the eventual issuance of the CLOAs in their favor, was erroneous in the first place. Thus, they are deemed as to not have conferred any rights on their recipients. On the other hand, in view of the erroneous coverage of the subject properties, herein Applicants, as original owners of said properties, were never divested of their rights over the same, including the right to apply for the exemption.

Moreover, the results of the ocular inspection on the subject property reveal that majority of the portions of the area applied for exemption have already been developed into what is now known as the Subic-Clark-Tarlac Expressway. A clear indication that indeed, the land has already been reclassified into non-agricultural purposes by the LGU and are no longer feasible for agricultural production.²⁶

From the foregoing, the DAR Secretary thus ruled:

WHEREFORE, premises considered, the Application for Exemption from the Comprehensive Agrarian Reform Program (CARP) Coverage pursuant to DAR Administrative Order No. 04, Series of 2003, filed by Santos, Ventura Hocorma Foundation, Inc., represented by Mr. Eduardo P. Manuel, a parcel of land with an area of 25.5699 hectares situated in Barangay Cacutud (formerly Mamatitang), Mabalacat, Pampanga is hereby GRANTED, subject to the following conditions:

- Disturbance compensation should be paid to affected beneficiaries, if any, within Sixty (60) days from the receipt of the Applicant of this Order;
- The applicant shall allow the DAR through its duly authorized representatives free and unhampered access to the subject property for purposes of monitoring compliance with this Order.

SO ORDERED.²⁷

Aggrieved, petitioners filed two motions for reconsideration dated January 31, 2008 and February 21, 2008 praying that the December 10, 2007 Order be reconsidered and a new one be issued denying the application for exemption of SVHFI for lack of merit.²⁸ They claimed, among others, that the application was based on dubious and/or suspicious documents and the grant

²⁶ Id. at 66.

²⁷ Id. at 67.

²⁸ Id. at 85.

thereof was contrary to law, jurisprudence, and DAR's policy guidelines.²⁹ However, the DAR Secretary denied the motion through an Order dated August 29, 2008,³⁰ stating that:

During the 58th CLUPPI Committee-B Meeting, held on 04 July 2008, the Committee recommended for the DENIAL of the Motion for Reconsideration based on the following grounds:

- The Order dated 10 December 2007, granting the Application for Exemption Clearance was issued based on the fact that the subject property was reclassified into non-agricultural before 15 June 1988, as certified by the Regional Officer of HLURB Region-III, that the subject property is zoned as Residential per approved Comprehensive Land Use Plan/Zoning Ordinance of Mabalacat, Pampanga ratified by the HLURB/SP Resolution No. R-41-3 dated 04 December 1980. Such fact was not an issue raised in the Motion for Reconsideration filed by the movants-protendants and therefore, exempted from CARP Coverage pursuant to DOJ Opinion No. 44 and as declared by the Supreme Court in the Natalia case; and
- That no new issues were presented nor new substantial evidence has been submitted which would warrant reversal of the 10 December 2007 Order.

After a careful review of the allegations and arguments contained in the Motion for Reconsideration, this Office finds no compelling reason that would warrant the modification, much less the reversal of the Order dated 10 December 2007. From the records, it is also apparent that the assailed Order is supported by substantial evidence.³¹

Petitioners then filed a Manifestation dated November 10, 2008, reiterating their stance that SVHFI's application for exemption should be denied for lack of merit. In an Order dated May 13, 2009, the DAR Secretary denied the Manifestation and affirmed *in toto* the Orders dated December 10, 2007 and August 29, 2008.³²

Ruling of the Office of the President:

Petitioners appealed their case to the OP, which also denied their appeal through its Decision dated December 17, 2013.³³ The OP found no cogent reason to depart from the December 10, 2007, August 29, 2008, and May 13, 2009 Orders of the Office of the Secretary of the DAR.³⁴

²⁹ Id. at 71.

³⁰ Id. at 76-79.

³¹ Id. at 78-79.

³² Id. at 81-87.

³³ Id. at 42.

³⁴ Id.

Ruling of the Court of Appeals:

Undaunted by the series of denials by the DAR Secretary and the OP, petitioners filed a petition for review before the Court of Appeals (CA) via Rule 43 of the Rules of Court.³⁵ Like the DAR Secretary and OP, however, the CA found for respondent SVIFI and held that there is no question that the subject landholding has been reclassified into non-agricultural uses, and therefore, exempt from CARP coverage. As such, it ruled that the CLOAs in favor of petitioners were erroneously issued.³⁶ The *fallo* of the herein assailed Decision reads:

WHEREFORE, the petition is hereby **DENIED**. The assailed Decision dated 17 December 2013, issued by the Office of the President, as well as the assailed Orders all rendered by the Office of the Secretary, Department of Agrarian Reform, are **AFFIRMED**.

SO ORDERED.³⁷

Petitioners then filed their motion for reconsideration, which the CA likewise denied through its Resolution dated May 23, 2016.³⁸

Still unfazed by the unfavorable findings and conclusions reached by the agencies and court below, petitioners now come to this Court via a petition for review on *certiorari* under Rule 45 of the Rules of Court.³⁹

Issues:

The main issues to be resolved are: (1) whether the subject property owned by herein respondent is exempt from CARP coverage; and (2) corollary thereto, whether petitioners are entitled to be the owners of the subject property pursuant to the CLOAs previously issued to them.

Our Ruling

The petition is devoid of merit.

Republic Act No. (RA) 6657, or the Comprehensive Agrarian Reform Law (CARL), provides that the agrarian reform program shall cover all public and private agricultural lands, including other lands of the public domain suitable for agriculture, regardless of tenurial arrangement and commodity

³⁵ Id. at 17.

³⁶ *Rollo*, pp. 47-48.

³⁷ Id. at 48.

³⁸ Id. at 52-57.

³⁹ Id. at 11.

produced.⁴⁰ Thus, before a parcel of land can be deemed covered by the CARP, a determination of the land's classification as either an agricultural or non-agricultural land (e.g., industrial, residential, commercial, etc.) – and, as a consequence, whether the said land falls under agrarian reform exemption – must first be preliminarily threshed out before the DAR, particularly, before the DAR Secretary.⁴¹

DAR Administrative Order (AO) No. 6, Series of 1994 vests the DAR Secretary the authority to grant or deny the issuance of exemption clearances on the basis of Section 3(c) of RA 6657, as amended, and DOJ Opinion No. 44, Series of 1990.⁴²

Section 3(c) of RA 6657, as amended, defines agricultural land, thus:

(c) Agricultural Land refers to land devoted to agricultural activity as defined in this Act and not classified as mineral, forest, residential, commercial or industrial land.

Meanwhile, DOJ Opinion No. 44, Series of 1990 states that all lands that have already been classified as commercial, industrial or residential before June 15, 1988 no longer need any conversion clearance from the DAR in order to be exempt from CARP coverage. However, an exemption clearance from the DAR, pursuant to DAR AO No. 6, Series of 1994, is still required to confirm or declare their exempt status.⁴³

Verily, issues of exclusion or exemption partake the nature of agrarian law implementation (ALI) cases which are well within the competence and jurisdiction of the DAR Secretary.⁴⁴ In this regard, the DAR Secretary is ordained to exercise his legal mandate of excluding or exempting a property from CARP coverage based on the factual circumstances of each case and in accordance with the law and applicable jurisprudence.⁴⁵ Moreover, considering his technical expertise on the matter, courts cannot simply brush aside his pronouncements regarding the status of the land in dispute, *i.e.*, as to whether it falls under the CARP coverage.⁴⁶ As this Court held in the case of *Department of Agrarian Reform v. Oroville Development Corp.*:⁴⁷

⁴⁰ REPUBLIC ACT No. 6657, Section 4.

⁴¹ *Farmer-Beneficiaries Belonging to the Samahang Magbuhukid ng Bagumbong, Julajala, Rizal v. Heirs of Maronilla*, G.R. No. 229983, July 29, 2019.

⁴² *Id.*

⁴³ *Id.*

⁴⁴ *Department of Agrarian Reform v. Court of Appeals*, 718 Phil. 232, 248 (2013). Citation omitted.

⁴⁵ *Id.*

⁴⁶ *Id.*

⁴⁷ 548 Phil. 51 (2007).

We cannot simply brush aside the DAR's pronouncements regarding the status of the subject property as not exempt from CARP coverage considering that the DAR has unquestionable technical expertise on these matters. Factual findings of administrative agencies are generally accorded respect and even finality by this Court, if such findings are supported by substantial evidence, a situation that obtains in this case. **The factual findings of the Secretary of Agrarian Reform who, by reason of his official position, has acquired expertise in specific matters within his jurisdiction, deserve full respect and, without justifiable reason, ought not to be altered, modified or reversed.**⁴⁸ (Emphasis supplied)

In the case before Us, there exists no persuasive ground to disturb the findings of the DAR Secretary, as affirmed by the OP and the CA, that the subject landholding is exempt from CARP coverage.

This Court has unequivocally held that “to be exempt from CARP, all that is needed is one valid reclassification of the land from agricultural to non-agricultural by a duly authorized government agency before June 15, 1988, when the CARL took effect.”⁴⁹

Here, SVHFI sufficiently proved that its property had been reclassified to non-agricultural uses, given the number of documents it provided in support of its application for exemption before the DAR Secretary. As shown in the records, SVHFI submitted the following documents, which the DAR Secretary used as bases in arriving at his conclusion that the property is exempt from CARP coverage:

The applicant submitted the following documents in support of their application:

- HLURB Certification dated 16 April 2006, issued by Editha U. Barrameda, Regional Officer (HLURB), certifying that the subject property is zoned for Residential per approved Comprehensive Land Use/Zoning Ordinance of Mabalacat, Pampanga ratified by the HLURB/SP Resolution No. R-41-3 dated 04 December 1980;
- MPDO Certification dated 24 November 2006, issued by Mr. Bernard B. delos Reyes, Zoning Administrator, that as per certification issued by the HLURB duly signed by the Regional Director, Mrs. Editha U. Barrameda, that Lot 554-D-3 which is located in Barangay Cacadud, Mabalacat, Pampanga, was classified as Residential Land by virtue of CLUP/ZO of the Municipality of Mabalacat, Pampanga, which was ratified by the Human Settlements Regulatory Commission through Resolution No. R-41-3, Series of 1980 dated 04 December 1980;

⁴⁸ Id. at 58.

⁴⁹ *Ong v. Imperial*, 764 Phil. 92, 113 (2015). Citation omitted.

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- The same MPDO Certification also stated that the subject area has also been reclassified as Commercial land per Municipal Ordinance No. 56, Series of 2003 of the Municipality of Mabalacat, Pampanga.
- National Irrigation Administration Certification dated 02 February 2007, issued by Manuel Collado, Regional Irrigation Manager, certifies that the subject properties are not irrigated area and are not covered by an irrigation project with firm funding commitment;
- Municipal Agrarian Reform Office Certification dated 27 April 2007, certified that the applicant complies with the required Billboard. However, he did not issue any certification as to the status of the property;
- Sworn Application for Exemption Clearance dated 18 July 2007, with receipt of payment of Filing Fee and Inspection Cost with Receipt Number 1783602 H and 4196442 F, respectively;
- Certified true copy of Transfer Certificate of Title;
- True copy of Transfer Certificate of Title;
- True copy of latest Tax Declaration;
- DENR Certification, certifying that the subject property is not within nor covered by National Integrated Protected Area System as per reference/control map of Pampanga;
- Photographs of properties;
- Affidavit of Undertaking;
- Lot Plan; and
- Vicinity/Directional Map.⁵⁰

Further, the grant of SVFHI's application for exemption was also based on the ocular inspection conducted by the CLUPPI Inspection Team on August 2, 2007.⁵¹

Hence, in granting SVFHI's application, the DAR Secretary simply acted in consonance with DAR AO No. 04, Series of 2003, or the "2003 Rules on Exemption of Lands from CARP Coverage under Section 3(c) of Republic Act No. 6657 and Department of Justice (DOJ) Opinion No. 44, Series of 1990," which listed the requirements⁵² necessary for an application to prosper

⁵⁰ CA *rollo*, pp. 63-64.

⁵¹ *Id.*

⁵² Section II, Administrative Order No. 4, Series of 2003.

and which designated said Secretary as the approving authority when the property involved has an area larger than five hectares.⁵³

The documents submitted by SVHFI to support its application for exemption as well as the ocular inspection done by the CLUPPI Inspection Team clearly show that the subject landholding had already been reclassified as residential prior to June 15, 1988. To reiterate, factual findings of fact of quasi-judicial bodies, such as the DAR, which have acquired expertise because their jurisdiction is confined to specific matters, are generally accorded not only great respect but even finality. They are binding upon this Court unless there is a showing of grave abuse of discretion or where it is clearly shown that they were arrived at arbitrarily or in utter disregard of the evidence on record.⁵⁴

It is worthy to point out that when the DAR Secretary granted SVHFI's application for exemption, it did not mean that he was exempting the land from CARL coverage, with the implication that the land was previously covered therein; it simply means that the CARL itself has, from the very beginning, excluded the land from CARL coverage, and the DAR Secretary is only affirming such fact.⁵⁵

Hence, given that SVHFI was able to adequately show that the subject property had been validly reclassified prior to June 15, 1988, the DAR Secretary correctly granted the application for exemption of respondent SVHFI. Consequently, the CA did not commit any reversible error in affirming the Orders of the DAR Secretary as well as the Decision of the OP.

Petitioners nevertheless contend that the DAR Secretary should not have acted on the application since the decision of the DAR Regional Director already attained finality without any party filing an appeal within the 15-day period. According to petitioners, the approval of the application was tantamount to a violation of the doctrine of conclusiveness of judgment and of their right to due process.⁵⁶

Likewise, they claim that the application should not have been given due course considering DOJ Opinion No. 44, Series of 1990, which states “[w]hen the filing of an application for exemption clearance is in response to a notice of CARP coverage, the DAR shall deny due course to the application if it was filed after sixty (60) days from the date the landowner received a notice of

⁵³ *Id.*, Section V, which states: 5.2. For properties with an area larger than five (5) hectares, the approving authority shall be the Secretary, acting upon the recommendation of the Center for Land Use Policy Planning and Implementation - 2 (CLUPPI-2).

⁵⁴ *Rom v. Roxus & Co., Inc.*, 672 Phil. 342, 365 (2011). Citation omitted.

⁵⁵ *Heirs of Luis A. Luna v. Afable*, 702 Phil. 146, 170 (2013).

⁵⁶ *Rollo*, pp. 21, 24.

CARP coverage.”⁵⁷ Further, in support of their claim that the subject property is covered by the CARP, petitioners allege that the order of exemption by the DAR Secretary had already been revoked in an Order dated September 4, 2009⁵⁸ and also offer a certified copy of the Certification dated September 18, 2006 issued by the Office of the Deputized Zoning Administrator of the Municipality of Mabalacat, Pampanga to prove that the subject property is agricultural.⁵⁹

Moreover, petitioners assert that the mere existence of the CLOAs in their name is enough proof that the subject landholding is not exempt from CARP and that they are the entitled to ownership and possession of the said property.⁶⁰ They also aver that the CLOAs are indefeasible and the grant of the application violated its indefeasibility.⁶¹

Such contentions are untenable.

Section 50 of RA 6657 explicitly states that the DAR “shall not be bound by technical rules of procedure and evidence but shall proceed to hear and decide all cases, disputes or controversies in a most expeditious manner, employing all reasonable means to ascertain the facts of every case in accordance with justice and equity and the merits of the case. Toward this end, it shall adopt a uniform rule of procedure to achieve a just, expeditious and inexpensive determination of every action or proceeding before it.”⁶²

It must be underscored that administrative agencies such as the DAR are not bound by the technical niceties of law and procedure and the rules obtaining in the courts of law. Well-settled is the doctrine that rules of procedure are to be construed liberally in proceedings before administrative bodies and are not to be applied in a very rigid and technical manner, as these are used only to help secure and not to override substantial justice.⁶³

In the case at bar, while it is true that the DAR Regional Director’s Order had already attained finality and that SVHFI submitted its application for exemption to the DAR Secretary years after it received the notice of coverage, We find no error on the part of the agrarian reform Secretary when he entertained the application and granted the same in favor of SVHFI. As We have held in the case of *Department of Agrarian Reform v. Samson*:⁶⁴

⁵⁷ Id. at 21.

⁵⁸ Id. at 22-23.

⁵⁹ Id. at 23 and 150-151.

⁶⁰ Id. at 22 and 24.

⁶¹ Id. at 20.

⁶² REPUBLIC ACT No. 6657, Section 50.

⁶³ *Department of Agrarian Reform v. Samson*, 577 Phil. 370, 379-380 (2008).

⁶⁴ Id.

Courts will not interfere in matters which are addressed to the sound discretion of the government agency entrusted with the regulation of activities coming under the special and technical training and knowledge of such agency. Administrative agencies are given wide latitude in the evaluation of evidence and in the exercise of their adjudicative functions, latitude which includes the authority to take judicial notice of facts within their special competence.⁶⁵

Besides, this Court finds that there was no denial of due process when the DAR Secretary issued the Order granting SVHFI's application for exemption. In administrative proceedings, a fair and reasonable opportunity to explain one's side suffices to meet the requirements of due process.⁶⁶ Jurisprudence also provides that where the party has had the opportunity to appeal or seek reconsideration of the action or ruling complained of, defects in procedural due process may be cured.⁶⁷ Here, the records show that petitioners actually filed two Motions for Reconsideration dated January 31, 2008 and February 21, 2008, and a Manifestation dated November 10, 2008, all questioning the DAR Secretary's grant of the application for exemption.⁶⁸ Further, petitioners also filed an appeal before the OP assailing the rulings of the DAR Secretary. Thus, it cannot be said that the grant of the application was done arbitrarily or that petitioners were not given an opportunity to be heard and were denied due process.

Anent petitioners' allegation that the DAR Secretary's Order granting SVHFI's application for exemption had already been revoked pursuant to another Order dated September 4, 2009, the same deserves scant consideration. It bears to note that, in raising such claim, petitioners merely cited a portion of a purported decision of the CA dated March 27, 2014, which petitioners admit involves a different set of parties and acknowledge that it is not yet final considering its pendency before another division of this Court.⁶⁹ It is unclear why the said Order is only being raised now before this Court, when petitioners have had every opportunity in the proceedings below to present such evidence. Thus, this Court will not entertain such newly alleged fact and argument at this very late stage in the proceedings as to do so would run counter the basic principles of fair play, justice and due process.⁷⁰

Similarly, this Court will also not entertain the certified copy of the Certification dated September 18, 2006 from the Office of the Deputized Zoning Administrator of the Municipality of Mabalacat, Pampanga. It must be pointed out that this was raised for the first time on appeal when petitioners

⁶⁵ Id. at 381-382.

⁶⁶ Id. at 380.

⁶⁷ Id. at 381.

⁶⁸ *CA rollo*, pp. 81-86.

⁶⁹ *Rollo*, pp. 22-23.

⁷⁰ *Department of Agrarian Reform v. Franco*, 508 Phil. 76, 95 (2005). Citations omitted.

submitted a mere photocopy of the said Certification before the CA and did not present such evidence in the proceedings below. As aptly held by the CA:

With respect to the other pieces of evidence relied upon by the petitioners in their Motion, suffice it to state that the Certification dated 18 September 2006, purportedly from the Office of the Deputized Zoning Administrator of the Municipality of Mabalacat, Pampanga, appears to be a mere photocopy. It is a matter of law, however, that absent any such proof of authenticity, a photocopy should be considered inadmissible and hence without probative value. Besides, it appears from Our assessment of the records before Us that petitioners did not submit such evidence below despite the fact that respondents' [sic] were even able to submit the MPDO Certification dated 24 November 2006 – an evidence of a much later date.⁷¹

Relevantly, this Court has held that the appellate court does not have jurisdiction to consider evidence in a petition for *certiorari* or petition for review on *certiorari* outside those submitted before the Department of Agrarian Reform Adjudication Board.⁷² As applied in this case, the CA correctly disregarded the Certification as petitioners should have raised such matter at the earliest opportunity, or during the proceedings before the DAR Secretary. It is well-settled that matters, theories, or arguments not brought out in the proceedings below will ordinarily not be considered by a reviewing court, as they cannot be raised for the first time on appeal.⁷³ Further, it is worth emphasizing that only questions of law should be raised in petitions filed under Rule 45. This Court is not a trier of facts. It will not entertain questions of fact as the factual findings of the appellate courts are final, binding, or conclusive on the parties and upon this Court when supported by substantial evidence. Factual findings of the appellate courts will not be reviewed nor disturbed on appeal to this Court.

All told, there is ample evidence showing that the subject landholding owned by SVHFI is exempt from CARP coverage. Therefore, the DAR Secretary, as affirmed by the OP and the CA, properly held that petitioners cannot rely on the CLOAs previously distributed to them for these have been erroneously issued to them. As a consequence, they cannot be deemed entitled to the ownership and possession thereof. Moreover, petitioners cannot argue that the CLOAs issued to them are already indefeasible and that the grant of SVHFI's application for exemption violated its indefeasibility. It is not disclosed by the records before this Court that there was compliance with Section 24 of RA 6657, as amended, which states:

SEC. 24. *Award to Beneficiaries.* - The rights and responsibilities of the beneficiaries shall commence from their receipt of a duly registered

⁷¹ *Rollo*, p. 55.

⁷² *Department of Agrarian Reform v. Franco*, supra note 70.

⁷³ *Id.*

emancipation patent or certificate of land ownership award and their actual physical possession of the awarded land. Such award shall be completed in not more than one hundred eighty (180) days from the date of registration of the title in the name of the Republic of the Philippines: Provided, That the emancipation patents, the certificates of land ownership award, and other titles issued under any agrarian reform program shall be indefeasible and imprescriptible after one (1) year from its registration with the Office of the Registry of Deeds, subject to the conditions, limitations and qualifications of this Act, the property registration decree, and other pertinent laws. The emancipation patents or the certificates of land ownership award being titles brought under the operation of the torrens system, are conferred with the same indefeasibility and security afforded to all titles under the said system, as provided for by Presidential Decree No. 1529, as amended by Republic Act No. 6732. x x x⁷⁴

Notably, while the DAR Secretary is given the competence and jurisdiction over SVHFI application for CARP exemption as provided in DOJ Opinion No. 44, Series of 1990, it must be pointed out that a separate case should nonetheless still be filed by respondents (also before the DAR) for the purpose of cancelling the CLOA titles of the affected farmer-beneficiaries.⁷⁵ This is because “agrarian reform beneficiaries or identified beneficiaries, or their heirs in case of death, and/or their associations are indispensable parties in petitions for cancellation” of the CLOAs, or other title issued to them under any agrarian reform program.⁷⁶

In this case, the DAR Secretary, in approving respondent’s application for CARP exemption, only ruled that the CLOAs were erroneously issued and that the affected beneficiaries are entitled to disturbance compensation, but did not make any declaration that specific TCTs were thereby cancelled. The DAR Secretary’s Order, which was affirmed by the OP and CA, was limited to the determination of whether the subject property was exempt from the coverage of CARP. As such, this case must only be confined to such matter, and that a separate proceeding must still be initiated impleading individual farmer-beneficiaries to establish that the lands awarded to them fall within the excluded areas, warranting the cancellation of their respective CLOA titles.⁷⁷

WHEREFORE, the petition is **DENIED**. The May 29, 2015 Decision and May 23, 2016 Resolution of the Court of Appeals in CA-G.R. SP No. 133690 are **AFFIRMED**. No pronouncement as to costs.

⁷⁴ REPUBLIC ACT No. 6657, Section 24, as amended by REPUBLIC ACT No. 9700.

⁷⁵ *Farmer-Beneficiaries Belonging to the Samahung Magrubbukid ng Bagumbong, Jalajala, Rizal v. Heirs of Maronilla*, supra note 41.


⁷⁶ *Id.*


⁷⁷ *Id.*


SO ORDERED.


RAMON PAUL L. HERNANDO
Associate Justice

WE CONCUR:


ESTELA M. PERLAS-BERNABE
Senior Associate Justice
Chairperson



HENRI JEAN PAUL B. INTING
Associate Justice


SAMUEL H. GAERLAN
Associate Justice


RICARDO R. ROSARIO
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.


ESTELA M. PERLAS-BERNABE
Senior Associate Justice
Chairperson

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.


ALEXANDER G. GESMUNDO
Chief Justice