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[**G.R. No. 184869, September 21, 2010**]

CENTRAL MINDANAO UNIVERSITY, REPRESENTED BY OFFICER-IN-CHARGE DR. RODRIGO L. MALUNHAO, PETITIONER, VS. THE HONORABLE EXECUTIVE SECRETARY, THE HONORABLE SECRETARY OF THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES, THE CHAIRPERSON AND COMMISSIONERS OF THE NATIONAL COMMISSION ON INDIGENOUS PEOPLES, AND THE LEAD CONVENOR OF THE NATIONAL ANTI-POVERTY COMMISSION, RESPONDENTS.

D E C I S I O N

ABAD, J.:

This case concerns the constitutionality of a presidential proclamation that takes property from a state university, over its objections, for distribution to indigenous peoples and cultural communities.

The Facts and the Case

Petitioner Central Mindanao University (CMU) is a chartered educational institution owned and run by the State.^[1] In 1958, the President issued Presidential Proclamation 476, reserving 3,401 hectares of lands of the public domain in Musuan, Bukidnon, as school site for CMU. Eventually, CMU obtained title in its name over 3,080 hectares of those lands under Original Certificates of Title (OCTs) 0-160, 0-161, and 0-162. Meanwhile, the government distributed more than 300 hectares of the remaining untitled lands to several tribes belonging to the area's cultural communities.

Forty-five years later or on January 7, 2003 President Gloria Macapagal-Arroyo issued Presidential Proclamation 310 that takes 670 hectares from CMU's registered lands for distribution to indigenous peoples and cultural communities in Barangay Musuan, Maramag, Bukidnon.

On April 3, 2003, however, CMU filed a petition for prohibition against respondents Executive Secretary, Secretary of the Department of Environment and Natural Resources, Chairperson and Commissioner of the National Commission on Indigenous Peoples (NCIP), and Lead Convenor of the National Anti-Poverty Commission (collectively, NCIP, *et al*) before the Regional Trial Court (RTC) of Malaybalay City (Branch 9), seeking to stop the implementation of Presidential Proclamation 310 and have it declared unconstitutional.

The NCIP, *et al* moved to dismiss the case on the ground of lack of jurisdiction of the Malaybalay RTC over the action, pointing out that since the act sought to be enjoined relates to an official act of the Executive Department done in Manila,

jurisdiction lies with the Manila RTC. The Malaybalay RTC denied the motion, however, and proceeded to hear CMU's application for preliminary injunction. Meanwhile, respondents NCIP, *et al* moved for partial reconsideration of the RTC's order denying their motion to dismiss.

On October 27, 2003, after hearing the preliminary injunction incident, the RTC issued a resolution granting NCIP, *et al*'s motion for partial reconsideration and dismissed CMU's action for lack of jurisdiction. Still, the RTC ruled that Presidential Proclamation 310 was constitutional, being a valid State act. The RTC said that the ultimate owner of the lands is the State and that CMU merely held the same in its behalf. CMU filed a motion for reconsideration of the resolution but the RTC denied the same on April 19, 2004. This prompted CMU to appeal the RTC's dismissal order to the Court of Appeals (CA) Mindanao Station.^[2]

CMU raised two issues in its appeal: 1) whether or not the RTC deprived it of its right to due process when it dismissed the action; and 2) whether or not Presidential Proclamation 310 was constitutional.^[3]

In a March 14, 2008 decision,^[4] the CA dismissed CMU's appeal for lack of jurisdiction, ruling that CMU's recourse should have been a petition for review on *certiorari* filed directly with this Court, because it raised pure questions law--bearing mainly on the constitutionality of Presidential Proclamation 310. The CA added that whether the trial court can decide the merits of the case based solely on the hearings of the motion to dismiss and the application for injunction is also a pure question of law.

CMU filed a motion for reconsideration of the CA's order of dismissal but it denied the same,^[5] prompting CMU to file the present petition for review.

The Issues Presented

The case presents the following issues:

1. Whether or not the CA erred in not finding that the RTC erred in dismissing its action for prohibition against NCIP, *et al* for lack of jurisdiction and at the same time ruling that Presidential Proclamation 310 is valid and constitutional;
2. Whether or not the CA correctly dismissed CMU's appeal on the ground that it raised purely questions of law that are proper for a petition for review filed directly with this Court; and
3. Whether or not Presidential Proclamation 310 is valid and constitutional.

The Court's Rulings

One. The RTC invoked two reasons for dismissing CMU's action. The first is that jurisdiction over the action to declare Presidential Proclamation 310 lies with the RTC of Manila, not the RTC of Malaybalay City, given that such action relates to official acts of the Executive done in Manila. The second reason, presumably made on the assumption that the Malaybalay RTC had jurisdiction over the action, Presidential

Proclamation 310 was valid and constitutional since the State, as ultimate owner of the subject lands, has the right to dispose of the same for some purpose other than CMU's use.

There is nothing essentially wrong about a court holding on the one hand that it has no jurisdiction over a case, and on the other, based on an assumption that it has jurisdiction, deciding the case on its merits, both with the same results, which is the dismissal of the action. At any rate, the issue of the propriety of the RTC using two incompatible reasons for dismissing the action is academic. The CA from which the present petition was brought dismissed CMU's appeal on some technical ground.

Two. Section 9(3) of the Judiciary Reorganization Act of 1980^[6] vests in the CA appellate jurisdiction over the final judgments or orders of the RTCs and quasi-judicial bodies. But where an appeal from the RTC raises purely questions of law, recourse should be by a petition for review on *certiorari* filed directly with this Court. The question in this case is whether or not CMU's appeal from the RTC's order of dismissal raises purely questions of law.

As already stated, CMU raised two grounds for its appeal: 1) the RTC deprived it of its right to due process when it dismissed the action; and 2) Presidential Proclamation 310 was constitutional. Did these grounds raise factual issues that are proper for the CA to hear and adjudicate?

Regarding the first reason, CMU's action was one for injunction against the implementation of Presidential Proclamation 310 that authorized the taking of lands from the university. The fact that the President issued this proclamation in Manila and that it was being enforced in Malaybalay City where the lands were located were facts that were not in issue. These were alleged in the complaint and presumed to be true by the motion to dismiss. Consequently, the CMU's remedy for assailing the correctness of the dismissal, involving as it did a pure question of law, indeed lies with this Court.

As to the second reason, the CMU claimed that the Malaybalay RTC deprived it of its right to due process when it dismissed the case based on the ground that Presidential Proclamation 310, which it challenged, was constitutional. CMU points out that the issue of the constitutionality of the proclamation had not yet been properly raised and heard. NCIP, *et al* had not yet filed an answer to join issue with CMU on that score. What NCIP, *et al* filed was merely a motion to dismiss on the ground of lack of jurisdiction of the Malaybalay RTC over the injunction case. Whether the RTC in fact prematurely decided the constitutionality of the proclamation, resulting in the denial of CMU's right to be heard on the same, is a factual issue that was proper for the CA Mindanao Station to hear and ascertain from the parties. Consequently, the CA erred in dismissing the action on the ground that it raised pure questions of law.

Three. Since the main issue of the constitutionality of Presidential Proclamation 310 has been raised and amply argued before this Court, it would serve no useful purpose to have the case remanded to the CA Mindanao Station or to the Malaybalay RTC for further proceedings. Ultimately, the issue of constitutionality of the Proclamation in question will come to this Court however the courts below decide it. Consequently, the Court should, to avoid delay and multiplicity of suits, now resolve the same.

The key question lies in the character of the lands taken from CMU. In *CMU v. Department of Agrarian Reform Adjudication Board (DARAB)*,^[7] the DARAB, a national government agency charged with taking both privately-owned and government-owned agricultural lands for distribution to farmers-beneficiaries, ordered the segregation for this purpose of 400 hectares of CMU lands. The Court nullified the DARAB action considering the inalienable character of such lands, being part of the long term functions of an autonomous agricultural educational institution. Said the Court:

The construction given by the DARAB to Section 10 restricts the land area of the CMU to its present needs or to a land area presently, actively exploited and utilized by the university in carrying out its present educational program with its present student population and academic facility -- overlooking the very significant factor of growth of the university in the years to come. By the nature of the CMU, which is a school established to promote agriculture and industry, the need for a vast tract of agricultural land for future programs of expansion is obvious. At the outset, the CMU was conceived in the same manner as land grant colleges in America, a type of educational institution which blazed the trail for the development of vast tracts of unexplored and undeveloped agricultural lands in the Mid-West. What we now know as Michigan State University, Penn State University and Illinois State University, started as small land grant colleges, with meager funding to support their ever increasing educational programs. They were given extensive tracts of agricultural and forest lands to be developed to support their numerous expanding activities in the fields of agricultural technology and scientific research. Funds for the support of the educational programs of land grant colleges came from government appropriation, tuition and other student fees, private endowments and gifts, and earnings from miscellaneous sources. It was in this same spirit that President Garcia issued Proclamation No. 476, withdrawing from sale or settlement and reserving for the Mindanao Agricultural College (forerunner of the CMU) a land reservation of 3,080 hectares as its future campus. It was set up in Bukidnon, in the hinterlands of Mindanao, in order that it can have enough resources and wide open spaces to grow as an agricultural educational institution, to develop and train future farmers of Mindanao and help attract settlers to that part of the country.

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The education of the youth and agrarian reform are admittedly among the highest priorities in the government socio-economic programs. In this case, neither need give way to the other. Certainly, there must still be vast tracts of agricultural land in Mindanao outside the CMU land reservation which can be made available to landless peasants, assuming the claimants here, or some of them, can qualify as CARP beneficiaries. To our mind, the

taking of the CMU land which had been segregated for educational purposes for distribution to yet uncertain beneficiaries is a gross misinterpretation of the authority and jurisdiction granted by law to the DARAB.

The decision in this case is of far-reaching significance as far as it concerns state colleges and universities whose resources and research facilities may be gradually eroded by misconstruing the exemptions from the CARP. These state colleges and universities are the main vehicles for our scientific and technological advancement in the field of agriculture, so vital to the existence, growth and development of this country.^[8]

It did not matter that it was President Arroyo who, in this case, attempted by proclamation to appropriate the lands for distribution to indigenous peoples and cultural communities. As already stated, the lands by their character have become inalienable from the moment President Garcia dedicated them for CMU's use in scientific and technological research in the field of agriculture. They have ceased to be alienable public lands.

Besides, when Congress enacted the Indigenous Peoples' Rights Act (IPRA) or Republic Act 8371^[9] in 1997, it provided in Section 56 that "property rights within the ancestral domains already existing and/or vested" upon its effectivity "shall be recognized and respected." In this case, ownership over the subject lands had been vested in CMU as early as 1958. Consequently, transferring the lands in 2003 to the indigenous peoples around the area is not in accord with the IPRA.

Furthermore, the land registration court considered the claims of several tribes belonging to the area's cultural communities in the course of the proceedings for the titling of the lands in CMU's name. Indeed, eventually, only 3,080 hectares were titled in CMU's name under OCTs 0-160, 0-161 and 0-162. More than 300 hectares were acknowledged to be in the possession of and subject to the claims of those tribes.

WHEREFORE, the Court **GRANTS** the petition, **SETS ASIDE** the March 14, 2008 decision and September 22, 2008 resolution of the Court of Appeals in CA-G.R. SP 85456, and **DECLARES** Presidential Proclamation 310 as null and void for being contrary to law and public policy.

SO ORDERED.

Corona, C.J., Carpio, Carpio Morales, Peralta, Bersamin, Del Castillo, Villarama, Jr., and Perez, JJ., concur.

Velasco, Jr., Nachura, Leonardo-De Castro, Brion, and Mendoza, JJ., on official leave. Sereno, J., on leave.

^[1] Pursuant to Republic Act 4498, "An Act to Convert Mindanao Agricultural College into Central Mindanao University and to Authorize the Appropriation of Additional Funds Therefor."

[2] Docketed as CA-G.R. SP 85456.

[3] *Rollo*, pp. 41-42.

[4] *Id.* at 85-102; penned by Associate Justice Teresita Dy-Liacco Flores, with the concurrence of Associate Justices Jane Aurora C. Lantion and Michael P. Elbinias.

[5] *Id.* at 103-106; Resolution of the Court of Appeals dated September 22, 2008.

[6] *Batas Pambansa Bilang 129*.

[7] G.R. No. 100091, October 22, 1992, 215 SCRA 86.

[8] *Id.* at 96, 101.

[9] "An Act to Recognize, Protect and Promote the Rights of Indigenous Cultural Communities/Indigenous Peoples, Creating a National Commission on Indigenous Peoples, Establishing Implementing Mechanisms, Appropriating Funds Therefor, and for other Purposes."



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