Republika ng Pilipinas
(Republic of the Philippines)
KAGAWARAN NG EDUKASYON, KULTURA AT ISPORTS
(DEPARTMENT OF EDUCATION, CULTURE AND SPORTS)
UL Complex, Pasig, Metro Manila

December 11, 1992

DECS O R D E R
No. 113, s. 1992

DISSEMINATING A PRECEDENT SETTING DECISION
OF THE SUPREME COURT

To: Undersecretaries
Assistant Secretaries
Bureau/Cultural Agency Directors
Directors of Services/Centers and Heads of Units
Regional Directors
Schools Superintendents
Presidents, State Colleges and Universities
Vocational School Superintendents/Administrators

1. For the information of all concerned, inclosed is a copy of a decision of the Supreme Court en banc dated October 22, 1992 in GR No. 100091 entitled, Central Mindanao University, represented by its President, Dr. Leonardo Chua, Petitioner vs. Department of Agrarian Reform Adjudication Board, Respondents, declaring the decision of the DARAB dated September 4, 1989 and the decision of the Court of Appeals dated August 20, 1990, affirming the decision of the quasi-judicial body, as null and void and sustaining the right of ownership of Central Mindanao University over its school site and full utilization thereof in accordance with the land utilization program that the university has adopted to develop and exploit its 3,080 hectare land reservation.

2. Please be guided accordingly.

(SGD.) ARMAND V. FABELLA
Secretary

Reference:
None

Allotment: 1-2-3-4--(M.O. 1-87)

To be indicated in the Perpetual Index
under the following subjects:

BUREAUS & OFFICES
POLICY
RULES & REGULATIONS
SCHOOLS
SITES

REPUBLIC OF THE PHILIPPINES
SUPREME COURT
Manila

EN BANC

CENTRAL MINDANAO UNIVERSITY
REPRESENTED BY ITS PRESIDENT
DR. LEONARDO A. CHUA
Petitioner:

- versus -

G.R. NO. 100091

THE DEPARTMENT OF AGRARIAN
REFORM ADJUDICATION BOARD,
ET AL.
Respondents:

- -

October 22, 1992

NOTICE OF JUDGMENT

Sir:

Please take notice that on October 22, 1992 a decision/resolution, copy attached, was rendered by the Supreme Court in the above-entitled case the original of which is now on file in this office.

Respectfully,

(SGD.) DANIEL T. MARTINEZ
Clerk of Court

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Court of Appeals (reg.)
Manila (CA-G.R. Sp No. 19174)

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REPUBLIC OF THE PHILIPPINES
SUPREME COURT
Manila

EN BANC

CENTRAL MINDANAO UNIVERSITY REPRESENTED BY ITS PRESIDENT DR. LEONARDO A. CHUA, Petitioner,	G.R. NO. 100091
	Present: Narvasa, C.J., Gutierrez, Jr., Cruz, Feliciano, Padilla, Bidin, Griño-Aquino, Medialdea, Regalado, Davide, Jr., Romero, Nocon, Bellosillo, Melo, and Campos, Jr., JJ.
- versus -	
DEPARTMENT OF AGRARIAN REFORM ADJUDICATION BOARD, THE COURT OF APPEALS AND ALVIN OBRIQUE, REPRESENTING BUKIDNON FREE FARMERS AGRICULTURAL LABORERS ORGANIZATION (BUFFALO) Respondents.	Promulgated: October 22, 1992

x - x

D E C I S I O N

CAMPOS, JR., J.:

This is a Petition for Review on Certiorari under Rule 65 of the Rules of Court to nullify the proceedings and decision of the Department of Agrarian Reform Adjudication Board (DARAB for brevity) dated September 4, 1989 and to set aside the decision* of the Court of Appeals dated August 20, 1990, affirming the decision of the DARAB which ordered the segregation of 400 hectares of suitable, compact and contiguous portions of the Central Mindanao University (CMU for brevity) land and their inclusion in the Comprehensive Agrarian Reform Program (CARP for brevity) for distribution to qualified beneficiaries, on the ground of lack of jurisdiction.

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*Justice Alfredo Marigomen, ponente; Justices Josue N. Bellosillo and Filemon M. Mendoza, concurring.

This case originated in a complaint filed by complainants calling themselves as the Bukidnon Free Farmers and Agricultural Laborers Organization (BUFFALO for brevity) under the leadership of Alvin Obrique and Luis Hermoso against the CMU, before the Department of Agrarian Reform for Declaration of Status as Tenants, under the CARP.

From the records, the following facts are evident. The petitioner, the CMU, is an agricultural educational institution owned and run by the state located in the town of Musuan, Bukidnon province. It started as a farm school at Marilang, Bukidnon, in early 1910, in response to the public demand for an agricultural school in Mindanao. It expanded into the Bukidnon National Agricultural High School and was transferred to its new site in Managok near Malaybalay, the provincial capital of Bukidnon.

In the early 1960's, it was converted into a college with campus at Musuan, until it became what is now known as the CMU, but still primarily an agricultural university. From its beginning, the school was the answer to the crying need for training people in order to develop the agricultural potential of the island of Mindanao. Those who planned and established the school had a vision as to the future development of that part of the Philippines. On January 16, 1958 the President of the Republic of the Philippines, the late Carlos P. Garcia, "upon the recommendation of the Secretary of Agriculture and Natural Resources, and pursuant to the provisions of Section 53, of Commonwealth Act No. 141, as amended", issued Proclamation No. 476, withdrawing from sale or settlement and reserving for .the Mindanao Agricultural College, a site which would be the future campus of what is now the CMU. A total land area comprising 3,080 hectares was surveyed and registered and titled in the name of the petitioner under OCT Nos. 160, 161 and 162.1

In the course of the cadastral hearing of the school's petition for registration of the aforementioned grant of agricultural land, several tribes belonging to cultural communities, opposed the petition claiming ownership of certain ancestral lands forming part of the tribal reservations. Some of the claims were granted so that what was titled to the present petitioner school was reduced from 3,401 hectares to 3,080 hectares.

In the early 1960's, the student population of the school was less than 3,000. By 1988, the student population had expanded to some 13,000 students, so that the school community has an academic population (student, faculty and non-academic staff) of almost 15,000. To cope with the increase in its enrollment, it has expanded and improved its educational facilities partly from government appropriation and partly by self-help measures.

1Exhibit 1, 1-A AND 1-B

True to the concept of a land grant college, the school embarked on self-help measures to carry out its educational objectives, train its students, and maintain various activities which the government appropriation could not adequately support or sustain. In 1984, the CMU approved Resolution No. 160, adopting a livelihood program called "Kilusang Sariling Sikap Program" under which the land resources of the University were leased to its faculty and employees. This arrangement was covered by a written contract. Under this program, the faculty and staff combine themselves to groups of five members each, and the CMU provided technical know-how, practical training and all kinds of assistance, to enable each group to cultivate 4 to 5 hectares of land for the lowland rice project. Each group pays the CMU a service fee and also a land use participant's fee. The contract prohibits participants and their hired workers to establish houses or live in the project area and to use the cultivated land as a collateral for any kind of loan. It was expressly stipulated that no landlord-tenant relationship existed between the CMU and the faculty and/or employees. This particular program was conceived as a multi-disciplinary applied research extension and productivity program to utilize available land, train people in modern agricultural technology and at the same time give the faculty and staff opportunities within the confines of the CMU reservation to earn additional income to augment their salaries. The location of the CMU at Musuan, Bukidnon, which is quite a distance from the nearest town, was the proper setting for the adoption of such a program. Among the participants in this program were Alvin Obrique, Felix Guinanao, Joven Caballero, Nestor Pulao, Danilo Vasquez, Aronio Pelayo and other complainants. Obrique was a Physics Instructor at the CMU while the others were employees in the lowland rice project. The other complainants who were not members of the faculty or non-academic staff of the CMU, were hired workers or laborers of the participants in this program. When petitioner Dr. Leonardo Chua became President of the CMU in July 1986, he discontinued the agri-business project for the production of rice, corn and sugar cane known as Agri-Business Management and Training Project, due to losses incurred while carrying on the said project. Some CMU personnel, among whom were the complainants, were laid-off when this project was discontinued. As Assistant Director of this agri-business project, Obrique was found guilty of mishandling the CMU funds and was separated from service by virtue of Executive Order No. 17, the re-organization law of the CMU.

Sometime in 1986, under Dr. Chua as President, the CMU launched a self-help project called CMU-Income Enhancement Program (CMU-IEP) to develop unutilized land resources, mobilize and promote the spirit of self-reliance, provide socio-economic and technical training in actual field project implementation and augment the income of the faculty and the staff.

Under the terms of a 3-party Memorandum of Agreement2 among the CMU, the CMU-Integrated Development Foundation (CMU-IDF) and groups or "seldas" of 5 CMU employees, the CMU would provide the use of 4 to 5 hectares of land to a selda for one (1) calendar year. The CMU-IDF would provide researchers and specialists to

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2 Exhibit "U"

assist in the preparation of project proposals and to monitor and analyze project implementation. The selda in turn would pay to the CMU ₱100 as service fee and ₱1,000 per hectare as participant's land rental fee. In addition, 400 kilograms of the produce per year would be turned over or donated to the CMU-IDF. The participants agreed not to allow their hired laborers or members of their family to establish any house or live within the vicinity of the project area and not to use the allocated lot as collateral for a loan. It was expressly provided that no tenant-landlord relationship would exist as a result of the Agreement.

Initially, participation in the CMU-IEP was extended only to workers and staff members who were still employed with the CMU and was not made available to former workers or employees. In the middle of 1987, to cushion the impact of the discontinuance of the rice, corn and sugar cane project on the lives of its former workers, the CMU allowed them to participate in the CMU-IEP as special participants.

Under the terms of a contract called Addendum to Existing Memorandum of Agreement Concerning Participation to the CMU-Income Enhancement Program,[3] a former employee would be grouped with an existing selda of his choice and provided one (1) hectare for a lowland rice project for one (1) calendar year. He would pay the land rental participant's fee of ₱1,000.00 per hectare but on a charge-to-crop basis. He would also be subject to the same prohibitions as those imposed on the CMU employees. It was also expressly provided that no tenant-landlord relationship would exist as a result of the Agreement.

The one-year contracts expired on June 30, 1988. Some contracts were renewed. Those whose contracts were not renewed were served with notices to vacate.

The non-renewal of the contracts, the discontinuance of the rice, corn and sugar cane project, the loss of jobs due to termination or separation from the service and the alleged harassment by school authorities, all contributed to, and precipitated the filing of, the complaint.

On the basis of the above facts, the DARAB found that the private respondents were not tenants and cannot therefore be beneficiaries under the CARP. At the same time, the DARAB ordered the segregation of 400 hectares of suitable, compact and contiguous portions of the CMU land and their inclusion in the CARP for distribution to qualified beneficiaries.

The petitioner CMU, in seeking a review of the decisions of the respondents DARAB and the Court of Appeals, raised the following issues:

> 1.) Whether or not the DARAB has jurisdiction to hear and decide Case No. 005 for Declaration of Status of Tenants and coverage of land under the CARP.

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3 Exhibit "V"

2.) Whether or not respondent Court of Appeals committed serious errors and grave abuse of discretion amounting to lack of jurisdiction in dismissing the Petition for Review on Certiorari and affirming the decision of DARAB.

In their complaint, docketed as DAR Case No. 5, filed with the DARAB, complainants Obrique, et. al. claimed that they are tenants of the CMU and/or landless peasants claiming/occupying a part or portion of the CMU situated at Sinalayan, Valencia, Bukidnon and Musuan, Bukidnon, consisting of about 1,200 hectares. We agree with the DARAB's finding that Obrique, et. al. are not tenants. Under the terms of the written agreement signed by Obrique, et. al., pursuant to the livelihood program called "Kilusang Sariling Sikap Program", it was expressly stipulated that no landlord-tenant relationship existed between the CMU and the faculty and staff (participants in the project). The CMU did not receive any share from the harvest/fruits of the land tilled by the participants. What the CMU collected was a nominal service fee and land use participant's fee in consideration of all the kinds of assistance given to the participants by the CMU. Again, the agreement signed by the participants under the CMU-IEP clearly stipulated that no landlord-tenant relationship existed, and that the participants are not share croppers nor lessees, and the CMU did not share in the produce of the participants' labor.

In the same paragraph of their complaint, complainants claim that they are landless peasants. This allegation requires proof and should not be accepted as factually true. Obrique is not a landless peasant. The facts showed he was a Physics Instructor at CMU holding a very responsible position and was separated from the service on account of certain irregularities he committed while Assistant Director of the Agri-Business Project of cultivating lowland rice. Others may, at the moment, own no land in Bukidnon but they may not necessarily be so destitute in their places of origin. No proof whatsoever appears in the record to show that they are landless peasants.

The evidence on record establish without doubt that the complainants were originally authorized or given permission to occupy certain areas of the CMU property for a definite purpose -- to carry out certain university projects as part of the CMU's program of activities pursuant to its avowed purpose of giving training and instruction in agricultural and other related technologies, using the land and other resources of the institution as a laboratory for these projects. Their entry into the land of the CMU was with the permission and written consent of the owner, the CMU, for a limited period and for a specific purpose. After the expiration of their privilege to occupy and cultivate the land of the CMU, their continued stay was unauthorized and their settlement on the CMU's land was without legal authority. A person entering upon lands of another, not

claiming in good faith the right to do so by virtue of any title of his own, or by virtue of some agreement with the owner or with one whom he believes holds title to the land, is a squatter.4 Squatters cannot enter the land of another surreptitiously or by stealth, and under the umbrella of the CARP, claim rights to said property as landless peasants. Under Section 73 of R.A. 6657, persons guilty of committing prohibited acts of forcible entry or illegal detainer do not qualify as beneficiaries and may not avail themselves of the rights and benefits of agrarian reform. Any such person who knowingly and wilfully violates the above provision of the Act shall be punished with imprisonment or fine at the discretion of the Court.

In view of the above, the private respondents, not being tenants nor proven to be landless peasants, cannot qualify as beneficiaries under the CARP.

The questioned decision of the Adjudication Board, affirmed in toto by the Court of Appeals, segregating 400 hectares from the CMU land is primarily based on the alleged fact that the land subject hereof is "not directly, actually and exclusively used for school sites, because the same was leased to Philippine Packing Corporation (now Del Monte Philippines)".

In support of this view, the Board held that the "respondent University failed to show that it is using actually, really, truly and in fact, the questioned area to the exclusion of others, nor did it show that the same is directly used without any intervening agency or person",5 and "there is no definite and concrete showing that the use of said lands are essentially indispensable for educational purposes".6 The reliance by the respondents Board and Appellate Tribunal on the technical or literal definition from Moreno's Philippine Law Dictionary and Black's Law Dictionary, may give the ordinary reader a classroom meaning of the phrase "is actually directly and exclusively", but in so doing they missed the true meaning of Section 10, R.A. 6657, as to what lands are exempted or excluded from the coverage of the CARP.

The pertinent provisions of R.A. 6657, otherwise known as the Comprehensive Agrarian Reform Law of 1988, are as follows:

> Sec. 4 SCOPE. -- The Comprehensive Agrarian Reform Law of 1988 shall cover, regardless of tenurial arrangement and commodity produced, all public and private agricultural lands as provided in Proclamation No. 131 and Executive Order No. 229 including other lands of the public domain suitable for agriculture.
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> More specifically, the following lands are covered by the Comprehensive Agrarian Reform Program:

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4 Mayor and Council of City of Forsyth, et. al. vs Hooks, 184 S.E. 724 (1936).

5 Rollo, p. 84,

6 Rollo, Ibid.

(a) All alienable and disposable lands of the public domain devoted to or suitable for agriculture. No reclassification of forest or mineral lands to agricultural lands shall be undertaken after the approval of this Act until Congress, taking into account ecological, developmental and equity considerations, shall have determined by law, the specific limits of the public domain;

(b) All lands of the public domain in excess of the specific limits as determined by Congress in the preceding paragraph;

(c) All other lands owned by the Government devoted to or suitable for agriculture; and

(d) All private lands devoted to or suitable for agriculture regardless of the agricultural products raised or that can be raised thereon.

Sec. 10 EXEMPTIONS AND EXCLUSIONS. -- Lands actually, directly and exclusively used and found to be necessary for parks, wildlife, forest reserves, reforestation, fish sanctuaries and breeding grounds, watersheds and mangroves, national defense, school sites and campuses including experimental farm stations operated by public or private schools for educational purposes, seeds and seedlings research and pilot production centers, church sites and convents appurtenant thereto, mosque sites and Islamic centers appurtenant thereto, communal burial grounds and cemeteries, penal colonies and penal farms actually worked by the inmates, government and private research and quarantine centers and all lands with eighteen percent (18%) slope and over, except those already developed shall be exempt from the coverage of this Act. (Underscoring supplied).

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 program of land grant colleges came from government appropriation, tuition and other student fees, private endowments and gifts, and earnings from miscellaneous sources.7 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 3,000 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.

In line with its avowed purpose as an agricultural and technical school, the University adopted a land utilization program to develop and exploit its 3,000-hectare land reservation as follows:8

		No. of Hectares	Percentage
a.	Livestock and Pasture	1,016.40	33
b.	Upland Crops	616	20
c.	Campus and Residential sites	462	15
d.	Irrigated rice	400.40	13
e.	Watershed and forest reservation	308	10
f.	Fruit and Tree Crops	154	5
g.	Agricultural Experimental stations	123.20	4
		3,000.00	100%

The first land use plan of the CMU was prepared in 1975 and since then it has undergone several revisions in line with changing economic conditions, national economic policies and financial limitations and availability of resources. The CMU, through Resolution No. 160 S. 1984, pursuant to its development plan, adopted a multi-disciplinary applied research extension and productivity program called the "Kilusang Sariling Sikap Project" (CMU-KSSP). The objectives9 of this program were:

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7 Taken from U.S. DHEW Bulletin, "Status of Land Grant Colleges and Universities", LEBA.

8 Annex C of Exhibit W.

9 Rollo, pp. 206-207.

1. Provide researchers who shall assist in (a) preparation of proposal; (b) monitor project implementation; and (c) collect and analyze all data and information relevant to the processes and results of project implementation;

2. Provide the use of land within the University reservation for the purpose of establishing a lowland rice project for the party of the Second Part for a period of one calendar year subject to discretionary renewal by the Party of the First Part;

3. Provide practical training to the Party of the Second Part on the management and operation of their lowland project upon request of Party of the Second Part; and

4. Provide technical assistance in the form of relevant livelihood project specialists who shall extend expertise on scientific methods of crop production upon request by Party of the Second Part.

In return for the technical assistance extended by the CMU, the participants in a project pay a nominal amount as service fee. The self-reliance program was an adjunct to the CMU's lowland rice project.

The portion of the CMU land leased to the Philippine Packing Corporation (now Del Monte Phils., Inc.) was leased long before the CARP was passed. The agreement with the Philippine Packing Corporation was not a lease but a Management and Development Agreement, a joint undertaking where use by the Philippine Packing Corporation of the land was part of the CMU research program with the direct participation of faculty and students. Said contracts with the Philippine Packing Corporation and others of a similar nature (like MM-Agraplex) were made prior to the enactment of R.A. 6657 and were directly connected to the purpose and objectives of the CMU as an educational institution. As soon as the objectives of the agreement for the joint use of the CMU land were achieved as of June 1988, the CMU adopted a blue print for the exclusive use and utilization of said areas to carry out its own research and agricultural experiments.

As to the determination of when and what lands are <u>found to be necessary</u> for use by the CMU, the school is in the best position to resolve and answer the question and pass upon the problem of its needs in relation to its avowed objectives for which the land was given to it by the State. Neither the DARAB nor the Court of Appeals has the right to substitute its judgment or discretion on this matter, unless the evidentiary facts are so manifest as to show that the CMU has no real need for the land.

It is our opinion that the 400 hectares ordered segregated by the DARAB and affirmed by the Court of Appeals in its Decision dated August 20, 1990, is not covered by the CARP because:

(1) It is not alienable and disposable land of the public domain;

(2) The CMU land reservation is not in excess of specific limits as determined by Congress;

(3) It is private land registered and titled in the name of its lawful owner, the CMU;

(4) It is exempt from coverage under Section 10 of R.A. 6657 because the lands are actually, directly and exclusively used and found to be necessary for school site and campus, including experimental farm stations for educational purposes, and for establishing seed and seedling research and pilot production centers. (Underlining).

Under Section 4 and Section 10 of R.A. 6657, it is crystal clear that the jurisdiction of the DARAB is limited only to matters involving the implementation of the CARP. More specifically, it is restricted to agrarian cases and controversies involving lands falling within the coverage of the aforementioned program. It does not include those which are actually, directly and exclusively used and found to be necessary for, among such purposes, school sites and campuses for setting up experimental farm stations, research and pilot production centers, etc.

Consequently, the DARAB has no power to try, hear and adjudicate the case pending before it involving a portion of the CMU's titled school site, as the portion of the CMU land reservation ordered segregated is actually, directly and exclusively used and found by the school to be necessary for its purposes. The CMU has constantly raised the issue of the DARAB's lack of jurisdiction and has questioned the respondent's authority to hear, try and adjudicate the case at bar. Despite the law and the evidence on record tending to establish that the fact that the DARAB had no jurisdiction, it made the adjudication now subject of review.

Whether the DARAB has the authority to order the segregation of a portion of a private property titled in the name of its lawful owner, even if the claimant is not entitled as a beneficiary, is an issue we feel we must resolve. The quasi-judicial powers of the DARAB are provided in Executive Order No. 129-A, quoted hereunder in so far as pertinent to the issue at bar:

Sec. 13 -- AGRARIAN REFORM ADJUDICATION BOARD -- There is hereby created an Agrarian Reform Adjudication Board under the Office of the Secretary. x x x. The Board shall assume the powers and functions with respect to adjudication of agrarian reform cases under Executive Order 229 and this Executive Order x x x.

Sec. 17 -- QUASI JUDICIAL POWERS OF THE DAR -- The DAR is hereby vested with quasi-judicial powers to determine and adjudicate agrarian reform matters and

shall have exclusive original jurisdiction over all matters including implementation of Agrarian Reform.

Section 50 of R.A. 6657 confers on the DAR quasi-judicial powers as follows:

> The DAR is hereby vested with primary jurisdiction to determine and adjudicate agrarian reform matters and shall have original jurisdiction over all matters involving the implementation of agrarian reform x x x.

Section 17 of Executive Order No. 129-A is merely a repetition of Section 50, R.A. 6657. There is no doubt that the DARAB has jurisdiction to try and decide any agrarian dispute in the implementation of the CARP. An agrarian dispute is defined by the same law as any controversy relating to tenurial rights whether leasehold, tenancy stewardship or otherwise over lands devoted to agriculture.10

In the case at bar, the DARAB found that the complainants are not share tenants or lease holders of the CMU, yet it ordered the "segregation of a suitable compact and contiguous area of Four Hundred Hectares, more or less", from the CMU land reservation, and directed the DAR Regional Director to implement its order of segregation. Having found that the complainants in this agrarian dispute for Declaration of Tenancy Status are not entitled to claim as beneficiaries of the CARP because they are not share tenants or leaseholders, its order for the segregation of 400 hectares of the CMU land was without legal authority. We do not believe that the quasi-judicial function of the DARAB carries with it greater authority than ordinary courts to make an award beyond what was demanded by the complainants/petitioners, even in an agrarian dispute. Where the quasi-judicial body finds that the complainants/petitioners are not entitled to the rights they are demanding, it is an erroneous interpretation of authority for that quasi-judicial body to order private property to be awarded to future beneficiaries. The order segregating 400 hectares of the CMU land was issued on a finding that the complainants are not entitled as beneficiaries, and on an erroneous assumption that the CMU land which is excluded or exempted under the law is subject to the coverage of the CARP. Going beyond what was asked by the complainants who were not entitled to the relief prayed for, constitutes a grave abuse of discretion because it implies such capricious and whimsical exercise of judgment as is equivalent to lack of jurisdiction.

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

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10 Section 3, R.A. 6657

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.

It is the opinion of this Court, in the light of the foregoing analysis and for the reasons indicated, that the evidence is sufficient to sustain a finding of grave abuse of discretion by respondents Court of Appeals and DAR Adjudication Board. We hereby declare the decision of the DARAB dated September 4, 1989 and the decision of the Court of Appeals dated August 20, 1990, affirming the decision of the quasi-judicial body, as null and void and hereby order that they be set aside, with costs against the private respondents.

SO ORDERED.

(SGD.) JOSE C. CAMPOS, JR.
Associate Justice

W E C O N C U R:

(on official leave)
ANDRES R. NARVASA
Chief Justice

(SGD.) HUGO E. GUTIERREZ, JR.
Acting Chief Justice

(SGD.) ISAGANI A. CRUZ
Associate Justice

(SGD.) FLORENTINO P. FELICIANO
Associate Justice

(SGD.) TEODORO R. PADILLA
Associate Justice

(SGD.) ABDULWAHID A. BIDIN
Associate Justice

(SGD.) CAROLINA C. GRIÑO-AQUINO
Associate Justice

(SGD.) LEO D. MEDIALDEA
Associate Justice

(SGD.) FLORENZ D. REGALADO
Associate Justice

(SGD.) HILARIO G. DAVIDE, JR.
Associate Justice

(SGD.) FLERIDA RUTH P. ROMERO
Associate Justice

(SGD.) RODOLFO A. NOCON
Associate Justice

(SGD.) JOSUE N. BELLOSILLO
Associate Justice

(SGD.) JOSE A. R. MELO
Associate Justice.

C E R T I F I C A T I O N

Pursuant to Article VII, Section 13, of the Constitution, it is hereby certified that the conclusions in the above decision were reached in consultation before the case was assigned to the writer of the opinion of the Court.

(SGD.) HUGO E. GUTIERREZ, JR.
Acting Chief Justice

Certified True Copy:

(SGD.) DANIEL T. MARTINEZ
Clerk of Court