



REPUBLIC OF THE PHILIPPINES  
**Sandiganbayan**  
Quezon City

**FIFTH DIVISION**

**PEOPLE OF THE PHILIPPINES,**  
*Plaintiff,*

**CRIM. CASE Nos. SB-15-  
CRM-0008**

*-versus-*

*For:* Plunder (Violation of R.A.  
No. 7080, as amended)

**EDGAR D. VALDEZ, et al.,**  
*Accused.*

*Present:*  
**Lagos, J.,** Chairperson,  
**Mendoza-Arcega, J.,** and  
**Corpus-Mañalac, J.**

Promulgated:

August 02, 2018 *Jal*

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**RESOLUTION**

**MENDOZA-ARCEGA, J.:**

Before Us are the following:

1. Prosecution's *Motion for Reconsideration of the Resolution dated 25 June 2018 with Prayer for Suspension/Deferment of Proceedings* dated June 29, 2018;<sup>1</sup>
2. Accused Edgar de Leon Valdez's *Opposition/Comment on Prosecution's "Motion for Reconsideration of the Resolution dated 25 June 2018 with Prayer for Suspension/Deferment of Proceedings"* dated July 4, 2018;<sup>2</sup> and

<sup>1</sup> Records, Volume 10, pp. 339-345.

<sup>2</sup> Ibid., pp. 347-357.

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3. Accused Janet Lim Napoles' *Manifestation (In Lieu of Comment/Opposition on Motion for Reconsideration filed by the Prosecution dated July 10, 2018.*<sup>3</sup>

In its motion, the following were raised by the prosecution:

- a) The Court's resolution dated June 25, 2018 stated in very general terms its evaluation of the issues or matters raised in the motions for leave and the comments and/or arguments submitted by the parties. It does not conform with Section 14, Article VIII of the Constitution which provides that no decision shall be rendered by any court without expressing therein clearly and distinctly the facts and the law on which it is based;
- b) The prosecution received the Demurrer to Evidence filed by accused Valdez on June 29, 2018. However, in view of the filing of the instant motion for reconsideration, the prosecution inevitably has to wait for the resolution of the Court before filing its Comment/Opposition to the Demurrer to Evidence filed by Valdez so as not to preempt the Court's ruling; and
- c) The prosecution filed a Petition for Certiorari before the Supreme Court regarding this Court's resolution on the Petition for Bail of accused Napoles and Valdez. Hence, until such time that the complete records are remanded back to the Court and/or until the Supreme Court has settled the issues, the proceedings before the Court must necessarily be suspended/deferred so as not to render moot the issues raised.

As regards Edgar de Leon Valdez's ("Valdez") *Opposition/Comment on Prosecution's "Motion for Reconsideration of the Resolution dated 25 June 2018 with Prayer for Suspension/Deferment of Proceedings"* dated July 4, 2018, it was contended that:

- a) The prosecution erroneously cited Section 14, Article VIII of the Constitution as it refers to a decision and not to a resolution of a motion. The Court issued a resolution on the Motion for Leave of Court to File Demurrer to Evidence and not a decision;

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<sup>3</sup> Ibid., pp. 363-364.

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- b) The instant proceedings cannot be deferred since the Supreme Court did not issue a temporary restraining order or a preliminary injunction; and
- c) It is likewise incumbent upon the prosecution to file its Comment on the Demurrer to Evidence filed by Valdez as the rules do not provide that a motion for reconsideration stops the running of the non-extendible period to file a comment.

On her part, Janet Lim Napoles (“Napoles”) manifested that she is adopting the Comment/Opposition filed by her co-accused Valdez in lieu of the Comment/Opposition on the Motion for Reconsideration filed by the prosecution.

### THE COURT’S RULING

After an assiduous examination of the records, We resolve to partly grant the motion.

*First*, the prosecution asseverated that the Resolution dated June 25, 2018 failed to categorically discuss the arguments raised in the Motions for Leave of Court filed by Valdez and Napoles, and the Comment/Opposition of the prosecution thereto. Citing Section 14, Article VIII of the 1987 Constitution, it is the prosecution’s stance that the assailed resolution should have clearly and distinctly discussed the facts and the relevant law.

The assertion of the prosecution is specious.

Section 14, Article VIII of the 1987 Constitution directs that:<sup>4</sup>

SEC. 14. **No decision** shall be rendered by any court without expressing therein clearly and distinctly the facts and the law on which it is based. (Emphasis supplied.)

Section 1, Rule 36 of the Rules of Court reflects the foregoing mandate, thus:<sup>5</sup>

SECTION 1. Rendition of judgments and final orders. – **A judgment or final order determining the merits of the case** shall be in writing personally and directly prepared by the judge, stating clearly and

<sup>4</sup> Dela Peña, et al. v. The Court of Appeals, et al., G.R. No. 177828, February 13, 2009.

<sup>5</sup> Ibid.

distinctly the facts and the law on which it is based, signed by him, and filed with the clerk of court. (Emphasis supplied.)

Lamentably for the prosecution, it cannot capitalize on the said constitutional provision as it applies to decisions promulgated by the courts. Section 1, Rule 36 of the Rules of Court likewise indicates that the constitutional mandate applies to judgments or final orders determining the merits of the case. A **final** order is one that which disposes of the whole subject matter or terminates a particular proceeding or action, leaving nothing to be done but to enforce by execution what has been determined.<sup>6</sup> Upon the other hand, an order is **interlocutory** if it does not dispose of a case completely, but leaves something more to be done upon its merits.<sup>7</sup> It is important to observe at this point that the constitutional provision does not apply to interlocutory orders, such as one granting a motion for postponement or quashing a subpoena, because it "refers only to decisions on the merits and not to orders of the trial court resolving incidental matters."<sup>8</sup>

Here, the Resolution dated June 25, 2018 is obviously neither a decision nor a final order. It cannot be considered as a final order as it does not completely dispose or terminate the instant case, but a mere interlocutory order which granted leave to herein accused to file their respective demurrers to evidence. The merits of the case are not yet passed upon as the accused need to file their demurrers as directed by the Court. Elsewise stated, there is still something to be done after the Court issued the assailed resolution. The test to ascertain whether an order is interlocutory or final is: "Does it leave something to be done in the trial court with respect to the merits of the case? If it does, it is interlocutory; if it does not, it is final."<sup>9</sup> Therefore, Section 14, Article VIII of the 1987 Constitution is not applicable to the subject resolution since it is an interlocutory order and not a final one.

*Second*, it is the prosecution's submission that the proceedings before the Court must necessarily be suspended/deferred so as not to render moot the issues raised in its Petition for Certiorari filed before the Supreme Court. The issues or matters raised in the Motions for Leave to File Demurrer filed by the accused are relatively similar to the issues raised in the Petition for Certiorari filed by the prosecution before the Supreme Court.

We beg to differ.

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<sup>6</sup> Fenequito, et al. v. Vergara, Jr., G.R. No. 172829, July 18, 2012.

<sup>7</sup> Ibid.

<sup>8</sup> Nicos Industrial Corporation, et al. v. The Court of Appeals, et al., G.R. No. 88709, February 11, 1992.

<sup>9</sup> Metropolitan Bank & Trust Company v. Court of Appeals, et al., G.R. No. 110147, April 17, 2001 citing Gavina Maglucot-Aw et al. v. Leopoldo Maglucot et al., G.R. No.132518, March 28, 2000.

Basic is the rule that the petition shall not interrupt the course of the principal case unless a temporary restraining order or a writ of preliminary injunction has been issued against the public respondent from further proceeding in the case.<sup>10</sup> Without a temporary restraining order or a writ of preliminary injunction, the lower court shall proceed with the main case. This is in accord with *Trajano v. Uniwide Sales Warehouse Club*, viz:<sup>11</sup>

Under Section 7, Rule 65 of the Rules of Court, the higher court should issue against the public respondent a temporary restraining order or a writ of preliminary injunction in order to interrupt the course of the principal case.<sup>12</sup> **The petitioner in a Rule 65 petition has the burden of proof to show that there is a meritorious ground for the issuance of an injunctive writ or order to suspend the proceedings before the public respondent. He should show the existence of an urgent necessity for the writ or order, so that serious damage may be prevented.** Nonetheless, even if an injunctive writ or order is issued, the lower court retains jurisdiction over the principal case.<sup>13</sup>

Indeed, we introduced in *Eternal Gardens Memorial Park v. Court of Appeals*<sup>14</sup> the principle of judicial courtesy to justify the suspension of the proceedings before the lower court even without an injunctive writ or order from the higher court. In that case, we pronounced that "[d]ue respect for the Supreme Court and practical and ethical considerations should have prompted the appellate court to wait for the final determination of the petition [for certiorari] before taking cognizance of the case and trying to render moot exactly what was before this [C]ourt."<sup>15</sup> We subsequently reiterated the concept of judicial courtesy in *Joy Mart Consolidated Corp. v. Court of Appeals*.<sup>16</sup>

**We, however, have qualified and limited the application of judicial courtesy in *Go v. Abrogar*<sup>17</sup> and *Republic v. Sandiganbayan*.<sup>18</sup> In these cases, we expressly delimited the application of judicial courtesy to maintain the efficacy of Section 7,**

<sup>10</sup> Section 7, Rule 65 of the Rules of Court.

The said rule states:

"Section 7. *Expediting proceedings; injunctive relief.* — The court in which the petition is filed may issue orders expediting the proceedings, and it may also grant a temporary restraining order or a writ of preliminary injunction for the preservation of the rights of the parties pending such proceedings. The petition shall not interrupt the course of the principal case unless a temporary restraining order or a writ of preliminary injunction has been issued against the public respondent from further proceeding in the case."

<sup>11</sup> G.R. No. 190253, June 11, 2014.

<sup>12</sup> *Ibid.*, citing Section 7, Rule 65 of the Rules of Court.

<sup>13</sup> *Ibid.*, citing Herrera, Remedial Law III, 2006 Ed., p. 363.

<sup>14</sup> 247 Phil. 387-398 (1988).

<sup>15</sup> *Ibid.*

<sup>16</sup> G.R. No. 88705, June 11, 1992, 209 SCRA, 746.

<sup>17</sup> 446 Phil. 228-229, 238 (2003).

<sup>18</sup> 525 Phil. 806, 810 (2006).

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**Rule 65 of the Rules of Court, and held that the principle of judicial courtesy applies only "if there is a strong probability that the issues before the higher court would be rendered moot and moribund as a result of the continuation of the proceedings in the lower court." Through these cases, we clarified that the principle of judicial courtesy remains to be the exception rather than the rule.**<sup>19</sup>  
(Emphasis supplied.)

Given the above disquisition, it is imperative for Us to proceed with the instant case notwithstanding the Petition for Certiorari filed by the prosecution before the High Tribunal as there is no showing that a temporary restraining order or a writ of preliminary injunction was issued.

It is also noteworthy that the issues before the Supreme Court will not be rendered moot with the continuation of the proceedings before this Court. The ruling in *Go v. The Court of Appeals, et al.*<sup>20</sup> is instructive:

"[T]he **hearing of an application for bail** should be summary or otherwise in the discretion of the court. **By 'summary hearing' [is] meant such brief and speedy method of receiving and considering the evidence of guilt as is practicable and consistent with the purpose of the hearing which is merely to determine the weight of the evidence for the purpose of bail. In such a hearing, the court does not sit to try the merits or to enter into any nice inquiry as to the weight that ought to be allowed to the evidence for or against accused, nor will it speculate on the outcome of the trial or on what further evidence may be therein offered is admitted.**' . . . The course of the inquiry may be left to the discretion of the court which may confine itself to receiving such evidence as has reference to substantial matters avoiding unnecessary thoroughness in the examination and cross-examination of witnesses and reducing to a reasonable minimum the amount of corroboration particularly on details that are not essential to the purpose of the hearing."<sup>21</sup>

The nature of the issues raised before the Petition for Certiorari regarding the Petition for Bail of accused Napoles and Valdez is diverse from the issues to be addressed in their respective Demurrers to Evidence. At any rate, the Court merely conducts a summary hearing of an application for bail without necessarily preempting the final outcome of the case -- *i.e.*, whether the accused is innocent or guilty. What is determined during the said hearing is whether the guilt of the accused is strong for the purpose of bail. The culpability of the accused is not yet passed upon.

<sup>19</sup> Ibid., citing *Garcia v. Sandiganbayan*, 532 Phil. 340, 350 (2006).

<sup>20</sup> G.R. No. 106087, April 7, 1993.

<sup>21</sup> Ibid., citing *Ocampo v. Bernabe*, 77 Phil. 55, 62 (1946).

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In contrast, when the accused moves to dismiss the case by filing a demurrer, the trial court delves into the pieces of evidence adduced by the prosecution. A demurrer to evidence tests the sufficiency or insufficiency of the prosecution's evidence.<sup>22</sup> The merits of the case are reviewed and carefully weighed in order to determine whether the prosecution sufficiently established the guilt of the accused or not. The Court, for its part, must state the relevant facts and the pertinent laws in its resolution in determining the demurrer as it is akin to a judgment. Perforce, the issues elevated before the Supreme Court would not be rendered moot by the continuation of the proceedings in this Court.

*Finally*, the State seeks to defer the filing of its Comment/Opposition to the Demurrer to Evidence filed by accused Valdez since it filed the present motion for reconsideration.

The Court finds the contention meritorious. We believe that the higher interest of substantial justice, and not mere technicalities, should hold sway in this case.

Albeit the Court ordered the prosecution to file its Comment/Opposition to the corresponding demurrers of the accused within a non-extendible period of ten (10) days from its receipt thereof, the instant case must be decided based on its merits and not on mere technicalities. We must carefully weigh the pieces of evidence adduced and the arguments raised to give the parties due process considering the gravity of the offense involved. The circumstances obtaining in the present case warrant the relaxation of the rules so as not to cause injustice to the State. In *Heirs of Victoriana Villagracia v. Equitable Banking Corporation, et al.*, the High Tribunal ruled as follows, to wit:<sup>23</sup>

“However, in the instant case, we are of the view that the ends of justice will be better served if it is determined on the merits, after full opportunity is given to all parties for ventilation of their causes and defenses, rather than on technicality or some procedural imperfections.<sup>24</sup>

**It is far better to dispose of the case on the merits, which is a primordial end, rather than on a technicality that may result in injustice.<sup>25</sup> While it is desirable that the Rules of Court be faithfully observed, courts should not be too strict with procedural lapses that do not really impair the proper administration of justice. The rules are intended to ensure the proper and orderly conduct of litigation because of the higher objective they seek, which is the attainment of**

<sup>22</sup> *Valencia v. The Sandignabayan*, G.R. No. 165996, October 17, 2005.

<sup>23</sup> G.R. No. 136972, March 28, 2008.

<sup>24</sup> *Ibid.*, citing *Serrano v. Gallant Maritime Services, Inc.*, 455 Phil. 992, 998 (2003).

<sup>25</sup> *Ibid.*

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justice and the protection of substantive rights of the parties.<sup>26</sup>  
(Emphasis supplied.)

The prosecution admitted that it received the Demurrer to Evidence filed by accused Valdez on June 29, 2018. Thus, it had until July 9, 2018 to file its Comment/Opposition to the demurrer. However, the records evince that the prosecution opted to file the instant motion for reconsideration on July 3, 2018. The prosecution cannot be faulted for filing the instant motion and there is no showing that the same was only filed to delay the proceedings. As such, the Court resolves to give the prosecution an extension of time to file the said Comment so as not to defeat the ends of justice.

**IN VIEW WHEREOF**, the *Motion for Reconsideration of the Resolution dated 25 June 2018 with Prayer for Suspension/Deferment of Proceedings* dated June 29, 2018 filed by the prosecution is **PARTLY GRANTED**.

Accordingly, the motion for reconsideration as regards the granting of the Motions for Leave to File Demurrer to Evidence and the motion seeking to suspend the proceedings are **DENIED** for utter lack of merit. The Resolution dated June 25, 2018 hereby **STANDS**.

In the meantime, the prosecution is given a non-extendible period of ten (10) days from receipt of this resolution within which to file its Comment/Opposition to the Demurrers of Evidence filed by accused Edgar de Leon Valdez and Janet Lim Napoles.

**SO ORDERED.**

  
MARIA THERESA V. MENDOZA-ARCEGA  
*Associate Justice*

**WE CONCUR:**

  
RAFAEL R. LAGOS  
*Associate Justice*  
*Chairperson*

  
MARYANNE E. CORPUS-MAÑALAC  
*Associate Justice*

<sup>26</sup> Ibid., citing *Vette Industrial Sales Co, Inc. v. Cheng*, G.R. Nos. 170232 and 170301, December 5, 2006, 509 SCRA 532, 543.