



DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
KAGAWARAN NG KAPALIGIRAN AT LIKAS YAMAN



MEMORANDUM

TO : ALL Regional Executive Directors

FROM : The Assistant Secretary
Legal Affairs
Chairperson, Alternative Dispute Resolution Committee

SUBJECT : INSTRUCTION FOR REGIONAL EXECUTIVE DIRECTORS TO ISSUE AN ORDER DIRECTING PARTIES TO SUBMIT THEIR OFFER FOR COMPROMISE AGREEMENT BEFORE THE CASE IS SUBMITTED FOR RESOLUTION

In accordance with DENR Administrative Order (DAO) 2016-30, the Department is committed to actively promoting party autonomy in resolving land disputes. This means giving the parties the freedom to create their own arrangements for resolving these disputes. To facilitate this goal, the Department will provide the necessary resources and support for Alternative Dispute Resolution (ADR) as an efficient method for resolving land disputes.

Section 27 of DAO 2016-30 specifies that "Before the case is considered for Decision, an Order shall be issued by the for the parties to submit an Offer for Amicable Settlement within ten (10) days from receipt thereof." The use of the word 'shall' in this context implies that at the Regional level of the DENR, it is mandatory for the Regional Executive Director (RED) to afford the parties involved in land dispute cases the opportunity to undergo ADR by issuing an Order directing them to submit an offer for a compromise agreement before their case can be resolved.

The Supreme Court's ruling in the case of *UCPB GENERAL INSURANCE COMPANY, INC., v. HUGHES ELECTRONICS CORPORATION (G.R. No. 190385, November 16, 2016)* provides further clarity on the interpretation of the term 'shall' in statutory construction. According to jurisprudence and statutory construction principles, the term 'shall' conveys a mandatory character. It signifies a command that must be followed, indicating an imperative or mandatory nature.

In light of this interpretation, it is crucial to emphasize that it is mandatory for the RED to issue an Order directing the parties involved in land dispute cases to submit an offer for compromise agreement before their case can proceed to a decision. This requirement serves a dual purpose: not only does it expedite the resolution of disputes efficiently, but it also plays a pivotal role in alleviating the backlog of cases burdening the dockets of the Department and also the court system. Thus, it is mandatory for the Regional Offices to give the parties the chance to undergo ADR, regardless of whether they settle or not.

By proactively giving the parties the chance to have their case be amicably settled through compromise agreements, we not only promote a swifter resolution process, but also encourage a more collaborative and less adversarial approach to dispute resolution. This, in turn, enhances the overall effectiveness of our legal system.

For your strict compliance.


ATTY. MICHELLE ANGELICA D. GO, L.L.M., CÈSO II