

## THIRD DIVISION

[ G.R. Nos. 207340 and 207349, September 16, 2020 ]

**REPUBLIC OF THE PHILIPPINES, PETITIONER, VS.  
SANDIGANBAYAN (SPECIAL SECOND DIVISION), OFFICE OF THE  
OMBUDSMAN, OFFICE OF THE SPECIAL PROSECUTOR AND MAJ.  
GEN. CARLOS F. GARCIA (RET.), RESPONDENTS.**

### DECISION

**LEONEN, J.:**

As the government's law office, the Office of the Solicitor General is given broad powers to be able to fully perform its function of representing the government. However, its power of representation is neither absolute nor limitless, as its mandate under the Administrative Code must be harmonized with statutes which also endow other government bodies with the power to represent the government. Further, allowing the Solicitor General to question the prosecutorial discretion exercised by the Special Prosecutor, with the approval of the Ombudsman, impliedly grants a statutory authority supervision over a Constitutional organ. This cannot be countenanced.

This resolves the Petition for Certiorari<sup>[1]</sup> filed by the Republic of the Philippines, represented by the Office of the Solicitor General, assailing the Plea Bargaining Agreement between the Office of the Special Prosecutor and retired Major General Carlos F. Garcia (Garcia).

On December 19, 2003, customs agents at the San Francisco International Airport, United States of America, seized US\$100,000.00 of undeclared cash from brothers Juan Paolo Garcia (Juan Paolo) and Ian Carl Garcia (Ian Carl).<sup>[2]</sup>

United States Customs officials charged Juan Paolo and Ian Carl with bulk cash smuggling and making false statements. They both pleaded guilty to the charges against them.<sup>[3]</sup>

On April 6, 2004, their mother, Clarita Garcia (Clarita) executed two statements,<sup>[4]</sup> which were witnessed by Agent Matthew Van Dyke of the United States Customs, in support of her petition for the release of the seized US\$100,000.00.<sup>[5]</sup> Clarita attested that the funds were sourced from her husband's salary as a two-star general in the Philippines and their family's two (2) corporations, IJT Mango Orchard, Inc. and IJT Katamnan Corp., as well as a daycare.<sup>[6]</sup> Further, Clarita wrote that aside from receiving a salary, her husband was a military comptroller who often received gratuities from businesses that were awarded military contracts:

My husband Carlos Garcia (Two Star General in the Armed Forces) was assigned to the Comptrollers Officer until April 4, 2004. He receives a salary that is declared for income tax purposes. In addition, Carlos

receives travel money and expenses in excess of several thousands of dollars. I often travel with my husband on business and my travel, expenses and shopping money in excess of US\$10,000 to \$20,000 is provided to me. He also receives cash for travel and expenses from the businesses that are awarded contracts for military hardware. These businesses are in Europe and Asia. He also receives gifts and gratitude money from several Philippine companies that are awarded military contracts to build roads, bridges and military housing.<sup>[7]</sup>

She then narrated that the privileges her husband received was common and that as the wife of a general, she was also entitled to privileges such as a "4,000-gallon per month gasoline allowance, security detail and five drivers. [She also has] a military cook that also provides piano music upon request."<sup>[8]</sup>

On April 5, 2005, the Office of the Special Prosecutor filed an Information<sup>[9]</sup> for plunder against Garcia, Clarita, and their children Ian Carl, Juan Paulo, and Timothy Mark Garcia (Timothy Mark). The accusatory portion of the Information read:

That during the period from 1993 or sometime prior thereto, until 17 November 2004, in Quezon City, Philippines, the above-named accused **MAJ. GEN. CARLOS F. GARCIA**, a high-ranking public officer, having been a colonel of the Armed Forces of the Philippines since 1990 until his retirement with the rank of Major General in November 2004, by himself and in connivance/conspiracy with his co-accused members of his family **CLARITA D. GARCIA, IAN CARL D. GARCIA, JUAN PAULO D. GARCIA, TIMOTHY MARK D. GARCIA**, and in connivance/conspiracy with his other co-accused persons **JOHN DOES, JAMES DOES, and JANE DOES**, did then and there, willfully, unlawfully, and criminally, amass, accumulate and acquire ill-gotten wealth in the form of funds, landholdings and other real and personal properties, in the aggregate amount of at least **THREE HUNDRED THREE MILLION TWO HUNDRED SEVENTY-TWO THOUSAND FIVE AND 99/100 PESOS (P303,272,005.99)**, more or less, by himself, and in conspiracy with the above-named persons, through a series and/or combination of overt or criminal acts or similar schemes or means, by receiving commissions, gifts, shares, percentages, kickbacks or other forms of pecuniary benefits like "shopping money or gratitude money" from said **JAMES DOES** and **JANE DOES** and/or entities, in connection with government contracts or projects and/or by reason of the public office of position held by accused **MAJ. GEN. CARLOS F. GARCIA** and/or by his taking undue advantage of his official position, thereby unjustly enriching himself at the expense and to the damage of the Filipino People and the Republic of the Philippines.

**ALL WITHIN THE JURISDICTION OF THE COURT AND CONTRARY TO LAW.**<sup>[10]</sup> (Emphasis in the original)

Separate cases for plunder and money laundering,<sup>[11]</sup> which were eventually consolidated, were filed against the Garcia family before the Sandiganbayan. Only Garcia was arraigned for both cases, to which he pleaded not guilty.<sup>[12]</sup>

On May 4, 2007, Garcia filed an Urgent Petition for Bail for his plunder charge, claiming that the Office of the Special Prosecutor failed to show strong evidence of his guilt.<sup>[13]</sup>

The Office of the Special Prosecutor opposed the petition for bail and was allowed to present evidence to support its contention that evidence of Garcia's guilt was strong.<sup>[14]</sup>

On December 11, 2009, an Information for violation of Section 4 (a) of Republic Act No. 9160 or the Anti-Money Laundering Act was filed against Garcia and his family. This was consolidated with the plunder case.<sup>[15]</sup>

On January 7, 2010, the Sandiganbayan<sup>[16]</sup> denied Garcia's petition for bail.

In denying the petition for bail, the Sandiganbayan ruled that the mass of evidence presented by the prosecution was strong which militated against the grant of bail.<sup>[17]</sup> Further it held that the admission of Clarita's Sworn Statement and handwritten statement into evidence did not violate her constitutional right to remain silent because "she was neither an accused nor a respondent at the time she voluntarily gave her statement."<sup>[18]</sup> The Sandiganbayan emphasized that neither she nor members of her family were under investigation and that she executed the statements in an attempt to retrieve the seized US\$100,000.00.<sup>[19]</sup>

The dispositive of the January 7, 2010 Resolution read:

**WHEREFORE**, in light of all the foregoing, and in the exercise of sound judicial discretion, the Court hereby resolves to deny, as it hereby **DENIES**, the Petition for Bail of Major General Carlos F. Garcia for lack of merit.

**SO ORDERED.**<sup>[20]</sup> (Emphasis in the original)

On March 16, 2010, as the prosecution was about to rest its case, the Office of the Special Prosecutor and Garcia filed a Joint Motion for Approval of Plea Bargaining Agreement.<sup>[21]</sup> The agreement was approved and signed by then Ombudsman Merceditas N. Gutierrez (Ombudsman Gutierrez).<sup>[22]</sup>

In the Plea Bargaining Agreement,<sup>[23]</sup> Garcia withdrew his plea of not guilty to the crime of plunder and offered to enter a plea of guilty to the lesser offense of indirect bribery.<sup>[24]</sup>

In addition, Garcia entered a plea of not guilty to the charge of money laundering, but then withdrew it for purposes of plea bargaining and offered to enter a plea of guilty to the lesser offense of facilitating money laundering.<sup>[25]</sup> He also stated that his family members, who were charged in the same cases, had no participation in the cases filed against them.<sup>[26]</sup>

As part of the Plea Bargaining Agreement, Garcia offered to cede P135,433,387.84 worth of cash, real and personal properties owned by himself and his family in favor of the government.<sup>[27]</sup>

In consenting to the Plea Bargaining Agreement, the Office of the Ombudsman, citing *People v. Kayanan*,<sup>[28]</sup> stated that such an agreement was allowed when there was no "sufficient evidence to establish the guilt" of the accused.<sup>[29]</sup>

On May 4, 2010, the Sandiganbayan,<sup>[30]</sup> without acting on the Joint Motion for Approval of Plea Bargaining Agreement and the Plea Bargaining Agreement, directed Garcia to execute the necessary deeds of conveyance to transfer the properties covered in the Plea Bargaining Agreement in favor of the State.<sup>[31]</sup>

The Sandiganbayan held that Garcia's change of plea under the Plea Bargaining Agreement was warranted because it complied with the applicable rules and guidelines contained in jurisprudence. It also pointed out that Garcia voluntarily agreed to the Plea Bargaining Agreement and was apprised of its consequences.<sup>[32]</sup>

The dispositive portion of the Resolution reads:

ACCORDINGLY, and to this end, the Court hereby orders accused Gen. Carlos F. Garcia to execute immediately the appropriate deeds of conveyance in order to transfer, convey, cede, surrender, and relinquish to the Republic of the Philippines his ownership and any and all interests which he may personally have over the real properties in his own name, and in the names of spouse Clarita Depakakibo Garcia, children Ian Carl D. Garcia, Juan Paolo D. Garcia, and Timothy Mark D. Garcia, as well as all the personal properties itemized and identified in the inventory of properties in the Plea Bargaining Agreement belonging to him, his spouse and three children, and thereafter to present to the Court within sixty (60) days from receipt hereof, such resultant titles and certificates of ownership in the name of the Republic of the Philippines.<sup>[33]</sup>

Meanwhile, in a separate civil forfeiture case against Garcia before Branch 27 of the Regional Trial Court of Manila and docketed as AMLC Case No. 09-003, the Office of the Solicitor General filed a motion<sup>[34]</sup> to allow the transfer of the Garcia family's assets to the government.

There, the Office of the Solicitor General, representing the Anti Money Laundering Council, recognized the Plea Bargaining Agreement between the Office of the Special Prosecutor and Garcia. The Office of the Solicitor General stated that the Office of the Special Prosecutor wrote to ask for assistance from the Anti-Money Laundering Council in light of the common properties covered by both the Plea Bargaining Agreement and civil forfeiture case.<sup>[35]</sup>

On November 5, 2010,<sup>[36]</sup> noting that Garcia's counsel interposed no objection to the Office of the Solicitor General's motion for transfer of assets and that a Plea Bargaining Agreement duly approved by Ombudsman Gutierrez had already been executed between the Office of the Special Prosecutor and Garcia, the Regional Trial Court granted the motion. The dispositive portion of the Regional Trial Court's Order read:

WHEREFORE, premises considered, the assets of the respondent M/Gen. Carlos F. Garcia and his wife and children are hereby ordered transferred to the Republic of the Philippines pursuant to the February 26, 2010 Plea Bargaining Agreement which was approved by the 2<sup>nd</sup> Division of the

Sandiganbayan in its Resolution dated May 4, 2010 covering Crim. Case No. 28107 and Crim. Case No. SB 09CR MO 194, for Plunder and Violation of R.A. 9160 otherwise known as Anti-Money Laundering Law, respectively.

So ordered.<sup>[37]</sup>

On November 18, 2010, the Office of the Special Prosecutor filed a Manifestation of Substantial Compliance<sup>[38]</sup> informing the Sandiganbayan that Garcia had executed the appropriate deeds of conveyances and turned them over to the Office of the Special Prosecutor.<sup>[39]</sup>

On December 16, 2010, Garcia pleaded guilty to the lesser offense of direct bribery<sup>[40]</sup> and to the offense of violation of Section 4 (b) of Republic Act No. 9160 or Facilitating Money Laundering.<sup>[41]</sup>

That same day, Garcia filed an Urgent Motion to Post Bail,<sup>[42]</sup> and the Sandiganbayan allowed him to post bail in the amount of P30,000.00 per case or P60,000.00 in total.<sup>[43]</sup>

On January 5, 2011, the Office of the Solicitor General filed a Motion to Intervene and to admit its attached Omnibus Motion in Intervention.<sup>[44]</sup>

In its Motion for Intervention, the Office of the Solicitor General declared that it had the necessary personality to intervene because it had the mandate of promoting and protecting public weal.<sup>[45]</sup> The Office of the Solicitor General likewise stated that the Armed Forces of the Philippines sought guidance on what its available remedies were in light of the fact that Plea Bargaining Agreement included some of its funds. The Office of the Solicitor General thus emphasized that the Armed Forces of the Philippines was an indispensable party for the Plea Bargaining Agreement to be valid.<sup>[46]</sup>

In its Omnibus Motion-In-Intervention,<sup>[47]</sup> the Office of the Solicitor General underscored that the Sandiganbayan's reliance on Section 5, Rule 116 of the Revised Rules of Criminal Procedure was misplaced because the said rule dealt with the withdrawal of an improvident plea of guilty, which was not applicable to Garcia.<sup>[48]</sup>

The Office of the Solicitor General continued that the Sandiganbayan's reliance on *People v. Camay*<sup>[49]</sup> was misplaced because the requirements listed in *Camay* only applied to an accused who pleaded guilty to a capital offense. It pointed out that indirect bribery and facilitating money laundering were not capital offenses.<sup>[50]</sup> It likewise insisted that the evidence of guilt against Garcia was very strong, as the Sandiganbayan itself declared when it denied his first motion to post bail.<sup>[51]</sup>

It stressed that the Plea Bargaining Agreement was without the Republic's consent.<sup>[52]</sup> Further, the lopsided terms of the Plea Bargaining Agreement greatly favored Garcia but worked against the Filipino people, as Garcia was accused of plundering P300,000,000.00 from the State coffers yet the Plea Bargaining Agreement only agreed to return P135,000,000.00 in cash and properties.<sup>[53]</sup> It then called out the