

THIRD DIVISION

[G.R. No. 227268, August 28, 2019]

OFFICE OF THE OMBUDSMAN, PETITIONER, VS. PCSUPT. RAUL D. PETRASANTA, RESPONDENT.

DECISION

PERALTA, J.:

Before us is a petition for *certiorari*^[1] under Rule 65 of the Rules of Court assailing the Decision^[2] dated April 19, 2016 and the Resolution^[3] dated August 4, 2016 of Court of Appeals in CA-G.R. SP No. 141070, entitled "*PCSupt. Raul D. Petrasanta v. Fact Finding Investigation Bureau - Office of the Deputy Ombudsman for the Military and Other Law Enforc[e]ment Offices (FFIB-MOLEO) and Hon. Conchita Carpio-Morales[,]* in her capacity as Ombudsman[,], and *Sec. Manual A. Roxas II[.]* in his capacity as Secretary of the Department of Interior and Local Government," for having been issued with grave abuse of discretion amounting to lack or excess of jurisdiction.

The antecedent facts are summarized as follows:

In a letter dated May 25, 2011, WERFAST Documentation Agency (*WERFAST*), through its General Manager Enrique Valerio (*Valerio*), proposed to then Philippine National Police (*PNP*) Chief Raul M. Bacalzo for the establishment of: (a) an Online Computerized Renewal System and Courier Delivery Service for the renewal of firearms licenses to the PNP; and (b) the execution of an agreement for said purpose.^[4]

Acting on said proposal, the PNP, through Napoleon R. Estilles (*Estilles*), then Chief of the PNP-Firearms and Explosive Office (*PNP-FEO*), entered into a Memorandum of Agreement (*MOA*) No. 05-2011, dated May 2011, with WERFAST.^[5] Under the terms of the said MOA, the PNP undertook to allow WERFAST to provide a courier service system for applications for renewal of firearms licenses. In turn, WERFAST agreed to donate equipment for the establishment of an online system for such applications. The agreement was for a period of five (5) years, renewable for another (5) years. Said MOA was notarized only on September 13, 2011.^[6]

On May 31, 2011, Estilles issued Letter Order No. 0531-40-11, creating a Technical Working Group (*TWG*) that would study the proposal of WERFAST. Respondent PCSupt. Raul Petrasanta was designated as chairman of the TWG.^[7]

After studying the proposal of WERFAST, the TWG issued a Memorandum dated June 30, 2011, favorably recommending the same. The pertinent portions of the Memorandum read:

5. After careful study based on development goals and transformation agenda of the PNP, the TWG recommends the following:

- a. Implementation of an online renewal system that can be directly accessed by clients via internet;
- b. Adoption of courier system to complement online program and ensure delivery of licenses to rightful owner or at indicated address;
- c. WerFast to develop the program and turn-over along with necessary IT infrastructure to FEO to be used for deployment of the said programs to include maintenance;
- d. That operation of the program and use of its infrastructure shall be x x x sole responsibility of FEO;
- e. That courier system shall be responsibility of WerFast, provided WerFast shall report delivery/non-delivery of licenses to FEO;
- f. Creation of Online Renewal Desk (ORD) within Computer Section to be dedicated to the said program and be composed of x x x 6-man team;
- g. Lateral arrangements/coordination with other service providers of FEO shall be initiated by WerFast and coordinated with FEO for implementation.^[8] (Citation omitted.)

On June 30, 2011, Gil Meneses (*Meneses*), then head of the PNP-Civil Security Group, requested the PNP-Legal Service for its legal opinion on the proposal of WERFAST.^[9]

In response, the PNP-Legal Service issued Legal Opinion No. 11-048,^[10] holding that "the proposal of WERFAST can be considered as request for the PNP to endorse or accredit the courier service it is offering."^[11] The PNP-Legal Service also recommended that the engagement of a courier service should not be made mandatory, but optional; and the service provider should not be exclusively WERFAST.

On August 7, 2012, the PNP-Legal Service issued Memorandum No. 12-257, recommending the creation of an accreditation committee and the formulation of the rules for accreditation.^[12]

In a letter^[13] dated September 14, 2012, addressed to respondent, WERFAST submitted its application for accreditation with the following supporting documents:

- a. Certificate of Incorporation dated August 10, 2011 issued by the Securities and Exchange Commission (*SEC*);^[14]
- b. Certificate of Registration dated August 26, 2011 issued by the Bureau of Internal Revenue (*BIR*)-Revenue Region No. 038;^[15]

- c. Certificate of Business Name Registration dated December 6, 2010 issued by the Department of Trade and Industry (DTI);^[16] and
- d. Philrem Service Corporation's (*Philrem*) Company Profile with attached Bangko Sentral ng Pilipinas Certificate of Registration and SEC Articles of Registration.^[17]

Meneses then issued Letter Order No. 545 dated November 19, 2012, creating the FEO Courier Services Accreditation Board (*FEO-CSAB*) and naming respondent as its chairman.^[18]

On February 12, 2013, Meneses sent to then PNP Chief Alan L. Purisima (*Purisima*) a Memorandum recommending the delivery of license cards by courier service to the addresses of the applicants be made mandatory. On February 17, 2013, Purisima approved Meneses's Memorandum.^[19]

On March 13, 2013, Meneses issued the Policy on Accreditation of FEO Courier Service (*Policy on Accreditation*).^[20] Section 5 thereof provides that a courier service provider may be accredited under the following conditions:

e. QUALIFICATIONS/CRITERIA FOR ACCREDITATION:

- 5.1 Applicant must be a local entity with appropriate business permits and is duly registered with the Securities and Exchange Commission (SEC);
- 5.2 It has completed and submitted all its reportorial requirement to the SEC;
- 5.3 It has updated permits from LGU where its main office is located;
- 5.4 It has paid all its income taxes for the year, as duly certified by the Bureau of Internal Revenue (BIR);
- 5.5 It must have secured clearances from the Directorate of Intelligence;
- 5.6 It must have an extensive network all over the Philippines; and
- 5.7 The application shall be made in the name of the company represented by its President or any of its key officers as duly authorized in a board resolution for that purpose.^[21]

On the other hand, Section 6 of the Policy on Accreditation provides for the procedure of accreditation, to wit:

6. PROCEDURE FOR ACCREDITATION OF COURIER SERVICE PROVIDER:

- 6.1 The Applicant will submit his intention to the Accreditation Board together with all the required documents arranged and properly tabulated in a folder;
- 6.2 The Board Secretariat will check/verify the completeness and validity of all submitted documents of the applicant. Should he so desire, he may validate the requirements submitted with the Originating Office;
- 6.3 The Board Secretariat, after being satisfied with all the requirements, shall schedule a Board meeting to discuss and evaluate the Qualification of the applicant;
- 6.4 In case there is lacking requirement, the Board is given the authority to accredit applicants in exceptional cases, subject to the condition that the Accreditation shall only be an "Interim Accreditation["];
- 6.5 If the Applicant meets all the requirements, the Accreditation Board shall issue an Accreditation Certificate subject to the performance review every two (2) years unless sooner revoked for any violation of existing laws or terms and conditions of the Accreditation. Poor performance rating during the performance review is a valid ground to suspend and/or revoke an accreditation. [22]

On April 1, 2013, FEO-CSAB accredited WERFAST through Resolution No. 2013-027, [23] the pertinent portion of which reads:

WHEREFORE, it is resolved as it is hereby resolved that WERFAST DOCUMENTATION AGENCY is ACCREDITED by the Firearms and Explosives Office to provide courier services to all clients of FEO relative to the licensing of firearms.

This accreditation shall take effect upon execution hereof and shall have one (1) year validity commencing from the date of signing by the Committee. [24]

The accreditation of WERFAST by the FEO-CSAB was based on the following grounds:

- a. It is a licensed local corporation with proper business permit and is duly registered under the Department of Trade and Industry with Registration No. 012295502 valid from December 6, 2010 to December 6, 2012;
- b. It has an approved MOA with the PNP for courier service for FEO dated August 24, 2011 ;

- c. It is in joint venture with CMIT Consultancy Group, Inc. which operates worldwide and with Philippine Remittance Service, Ltd., which has 14 distribution centers and over 200 courier services all over the Philippines, capable of delivering the firearms licenses; and
- d. It has submitted clearances from the Bureau of Internal Revenue, Regional Trial Court, Court of Appeals, and Supreme Court.^[25]

Subsequently, less than a month after the implementation of the courier service provided by WERFAST, the FEO received complaints against WERFAST's services. The complaints were:

- a. Delay in the delivery or non-delivery of applicants' firearm license cards;
- b. Processing through WERFAST takes at least 1.5 days inside the FEO even during the "off peak" season;
- c. No Official Receipt is issued;
- d. The WERFAST website[indicted in the "contract" is existent, but] cannot be used most of the time. The tracking option is useless as it is not able to trace the numbers indicated;
- e. Upon receipt of the package, the courier indicated is LBC and not WERFAST. This has caused confusion because of the fact that LBC charges Php 90.00/package versus the Php 190.00 that is charged by WERFAST;
- f. There are instances that LBC would directly call the clients to[pick up] their licenses at designated LBC Branches; and
- g. Processing time of WERFAST transaction inside FEO was cut until 3:00 P.M. only.^[26]

Respondent informed WERFAST about the complaints against it through a letter^[27] dated July 18, 2013. Despite the said letter, WERFAST did not take any remedial action to address the complaints.

On September 23, 2013, respondent was relieved from his post as Chief of FEO and was assigned as Regional Director of Region III.^[28]

In March 2014, the PNP terminated its contract with WERFAST due to the latter's gross inefficiency.^[29]

On April 16, 2014, Glenn Gerard C. Ricafranca (*Ricafranca*) filed before petitioner Office of the Ombudsman an administrative complaint against Purisima and Estilles, docketed as OMB-P-A-14-0333, for *Grave Abuse of Authority* and violation of Republic Act No. 6713 or the *Code of Conduct and Ethical Standards for Public Officials and Employees*. Ricafranca alleged that there were "highly controversial arrangements in favor of WERFAST," such as: (1) the mandatory nature of the