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[G.R. No. 228234; April 25, 2023]

JOVENCIO H. EVANGELISTA, *Petitioner*, *v.* **PHILIPPINE AMUSEMENT AND GAMING CORPORATION (PAGCOR); ANDREA D. DOMINGO; ALFREDO C. LIM; CARMEN N. PEDROSA; REYNALDO E. CONCORDIA; and GABRIEL S. CLAUDIO,** *Respondents*.

[G.R. No. 228315; April 25, 2023]

MIGUEL DANIEL C. CRUZ, in his personal capacity and as the representative of UNION FOR NATIONAL DEVELOPMENT AND GOOD GOVERNANCE-PHILIPPINES (UNILAD-Philippines), *Petitioner*, *v.* **PHILIPPINE AMUSEMENT AND GAMING CORPORATION (PAGCOR) and ANDREA D. DOMINGO, in her capacity as the Chief Executive Officer (CEO) and Chairperson of the Board of Directors of the PAGCOR,** *Respondents*.

[G.R. No. 230080; April 25, 2023]

ANTI-TRAPO MOVEMENT OF THE PHILIPPINES, INC., represented by its Founding Chairperson, LEON ESTRELLA PERALTA, and LEON ESTRELLA PERALTA, *Petitioners*, *v.* **PHILIPPINE AMUSEMENT AND GAMING CORPORATION, represented by ANDREA D. DOMINGO, Chairperson of the Board of Directors, PAGCOR, and JOHN and JANE DOES of PAGCOR (Unnamed Public Officers of the PAGCOR),** *Respondents*.

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D E C I S I O N

LOPEZ, J., *J.*:

This Court resolves the consolidated Petitions for Prohibition and/or *Certiorari*[1] assailing the constitutionality of the Rules and Regulations for Philippine Offshore Gaming Operations (*RR-POGO*) approved by the Board of Directors of the Philippine Amusement and Gaming Corporation (*PAGCOR*) on September 1, 2016.

In the Resolution[2] dated November 26, 2017, this Court ordered the consolidation of G.R. Nos. 228234, 228315, and 230080.

The RR-POGO outlines the procedure for the licensing, accreditation, and registration of offshore gaming operators, offshore gaming agents, and other auxiliary service providers. Petitioners allege, in substance, that the RR-POGO is unconstitutional because PAGCOR has no authority to operate and regulate online or offshore gaming operations. Ultimately, they pray that the RR-POGO be struck down as unconstitutional, and that respondents be permanently enjoined from implementing the provisions thereof.

History of PAGCOR

PAGCOR is a government-owned and controlled corporation[3] initially created by Presidential Decree (*P.D.*) No. 1067-A[4] on January 1, 1967. Its establishment was impelled by the need to tap potential resources to finance infrastructure and socio-economic development projects, particularly within the Metropolitan

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1 *Rollo* (G.R. No. 228234), Vol. I, pp. 3–29; *Rollo* (G.R. No. 228315), Vol. I, pp. 3–25; *Rollo* (G.R. No. 230080), Vol. I, pp. 3–23.

2 *Rollo* (G.R. No. 228234), Vol. I, p. 378.

3 *Yun Kwan Byung v. Philippine Amusement and Gaming Corporation*, 623 Phil. 23, 28 (2009).

4 CREATING THE PHILIPPINE AMUSEMENT AND GAMING CORPORATION, DEFINING ITS POWERS AND FUNCTIONS, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES.

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Manila area; to complement the development of tourist industry in the country by providing more amusement and recreation places; and to prevent the proliferation of illegal casino/s and or club/s conducting games of chance.[5]

PAGCOR was tasked to implement the State's policy of centralizing and integrating all games of chance not theretofore authorized by existing franchises or permitted by law to attain two objectives: (1) to centralize and integrate the right and authority to operate and conduct games of chance to be controlled, administered, and supervised by the government; and (2) to establish and operate clubs and casinos, sports, gaming pools and others for amusement and recreation, including games of chance, which may be allowed within the territorial jurisdiction of the Philippines.[6]

On January 1, 1977, P.D. No. 1067-B[7] was issued, granting PAGCOR, for a period of 25 years, and renewable for another 25 years, the right, privilege, and authority to operate and maintain gambling casinos, clubs, and other recreation or amusement places, sports, gaming pools, whether on land or sea, within the territorial jurisdiction of the Philippines. Subsequent amendments to P.D. No. 1067-A and P.D. No. 1067-B were then made through P.D. No. 1067-C,[8] P.D. No. 1399,[9] and P.D. No. 1632.[10]

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5 Whereas Clauses of P.D. No. 1067-A.

6 Section 1, P.D. No. 1067-A.

7 GRANTING THE PHILIPPINE AMUSEMENT AND GAMING CORPORATION A FRANCHISE TO ESTABLISH, OPERATE, AND MAINTAIN GAMBLING CASINOS ON LAND OR WATER WITHIN THE TERRITORIAL JURISDICTION OF THE REPUBLIC OF THE PHILIPPINES.

8 Extended the term of the PAGCOR for twenty-five years, renewable for another twenty-five years, and made its franchise exclusive in character, except existing franchises and games of chance theretofore permitted by law.

9 AMENDING CERTAIN SECTIONS OF PRESIDENTIAL DECREE NO. 1067-A DATED JANUARY 1, 1977, ENTITLED "CREATING THE PHILIPPINE AMUSEMENT AND GAMING CORPORATION, DEFINING ITS POWERS AND FUNCTIONS, PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES," AND PRESIDENTIAL DECREE NO. 1067-B DATED JANUARY 1, 1977, ENTITLED,

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On July 11, 1983, P.D. No. 1869 was issued consolidating and amending P.D. No. 1067-A, P.D. No. 1067-B, P.D. No. 1067-C, P.D. No. 1399, and P.D. No. 1632, relative to the franchise and powers of PAGCOR into a single statute.

The whereas clauses of P.D. No. 1869 state:

WHEREAS, Presidential Decree No. 1067-A, 1067-B, 1067-C, 1399 and 1632, relative to the Franchise and Powers of the Philippine Amusement and Gaming Corporation (PAGCOR), were enacted to enable the Government to regulate and centralized thru an appropriate institution all games of chance authorized by existing franchise or permitted by law;

WHEREAS, to facilitate the enforcement and application of the above-mentioned Presidential Decrees, it is imperative to consolidate them into one statute;

WHEREAS, since its creation in 1977, PAGCOR has demonstrated its reliability as a source of income for the Government, particularly for the funding of government infrastructure projects, such that, as of December 1982, PAGCOR has generated gross revenue of [₱]1.677 Billion, contributing [₱]956 Million as the 60% share of the Government plus [₱]83 Million in the form of 5% franchise tax;

WHEREAS, PAGCOR's operation has enabled the Government to identify the potential sources of additional revenue, provided games of chances are strictly managed and made subject to close scrutiny, regulation, supervision and control by the Government;

WHEREAS, to make it more dynamic and effective in its tasks, PAGCOR should now be reorganized by (a) increasing the participation of the private sector in the subscription of the authorized capital stock of PAGCOR and by adjusting the share of the Government in the gross

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"GRANTING THE PHILIPPINE AMUSEMENT AND GAMING CORPORATION A FRANCHISE TO ESTABLISH, OPERATE, AND MAINTAIN GAMBLING CASINOS ON LAND OR WATER WITHIN THE TERRITORIAL JURISDICTION OF THE REPUBLIC OF THE PHILIPPINES."

[10] RESERVING AND ESTABLISHING AS AGRO-FOREST DEVELOPMENT PILOT PROJECT CERTAIN PARCELS OF LAND OF THE PUBLIC DOMAIN SITUATED IN THE MUNICIPALITIES OF SAN JOSE AND RIZAL, PROVINCE OF MINDORO OCCIDENTAL, ISLAND OF MINDORO.

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earning to 50%; provided, that the annual income of the Government is not less than [₱]150 Million and, if it is less, then the share of the Government shall be 60% of the gross earnings; (b) providing for a settlement of the portion of the Government's share that was utilized for the stabilization of casino operations, and (c) providing for greater flexibility in operation by limiting governmental audit only to the determination of the 5% franchise tax and the Government's share of 50% of the gross earnings;

WHEREAS, in order to make PAGCOR's regulatory powers more effective, it is necessary that businesses primarily engaged in gambling operations be affiliated with PAGCOR, and become subject to its regulatory powers with respect to operation, capitalization and organizational structure;

WHEREAS, under Presidential Decree No. 1416, as amended, the President of the Philippines is authorized to reorganize the administrative structure of government offices[.]

P.D. No. 1869 reiterated the authority of PAGCOR to operate and maintain gambling casinos, gaming clubs, and other similar recreation or amusement places, gaming pools, on land and on sea, within the territorial jurisdiction of the Philippines. Section 10 of P.D. No. 1869 provides:

SEC. 10. Nature and Term of Franchise. — Subject to the terms and conditions established in this Decree, the Corporation is hereby granted for a period of twenty-five (25) years, renewable for another twenty-five years, the rights, privileges and authority to operate and maintain gambling casinos, clubs and other recreation or amusement places, sports, gaming pools, *i.e.*, basketball, football, lotteries, etc. whether on land or sea, within the territorial jurisdiction of the Republic of the Philippines.

P.D. No. 1869 also required the registration of all persons primarily engaged in gambling and their allied business with PAGCOR, which shall exercise regulatory power over these affiliated entities:

SEC. 8. REGISTRATION. — All persons primarily engaged in gambling, together with their allied business, with contract or franchise from the Corporation, shall register and affiliate their businesses with the Corporation. The Corporation shall issue the corresponding certificates

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of affiliation upon compliance by the registering entity with the promulgated rules and regulations thereon.

SEC. 9. REGULATORY POWER. — The Corporation shall maintain a Registry of the affiliated entities, and shall exercise all the powers, authority and the responsibilities vested in the Securities and Exchange Commission over such affiliated entities mentioned under the preceding Section, including but not limited to amendments of Articles of Incorporation and By-Laws, changes in corporate term, structure, capitalization and other matters concerning the operation of the affiliating entities, the provisions of the Corporation Code of the Philippines to the contrary notwithstanding, except only with respect to original incorporation.

On June 20, 2007, Republic Act (*R.A.*) No. 9487[11] was enacted into law, amending Section 10 of P.D. No. 1869 with respect to the nature and term of PAGCOR's franchise, Section 1 of which reads:

SECTION 1. The Philippine Amusement and Gaming Corporation (PAGCOR) franchise granted under Presidential Decree No. 1869, otherwise known as the PAGCOR Charter, is hereby further amended to read as follows:

(1) Section 10, Nature and Term of Franchise, is hereby amended to read as follows:

"SEC. 10. *Nature and Term of Franchise*. — Subject to the terms and conditions established in this Decree, the Corporation is hereby granted from the expiration of its original term on July 11, 2008, another period of twenty-five (25) years, renewable for another twenty-five (25) years, the rights, privileges and authority to operate and license gambling casinos, gaming clubs and other similar recreation or amusement places, gaming pools, *i.e.*, basketball, football, bingo, etc. except jai-alai, whether on land or sea, within the territorial jurisdiction of the Republic of the Philippines: *Provided*, That the corporation shall obtain the consent of the local government unit that has territorial jurisdiction over the area chosen as the site for any of its operations.

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[11] AN ACT FURTHER AMENDING PRESIDENTIAL DECREE NO. 1869, OTHERWISE KNOWN AS PAGCOR CHARTER.

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> "The operation of slot machines and other gambling paraphernalia and equipment, shall not be allowed in establishments open or accessible to the general public unless the site of these operations are three-star hotels and resorts accredited by the Department of Tourism authorized by the corporation and by the local government unit concerned.
>
> "The authority and power of the PAGCOR to authorize, license and regulate games of chance, games of cards and games of numbers shall not extend to: (1) games of chance authorized, licensed and regulated or to be authorized, licensed and regulated by, in, and under existing franchises or other regulatory bodies; (2) games of chance, games of cards and games of numbers authorized, licensed, regulated by, in, and under special laws such as Republic Act No. 7922; and (3) games of chance, games of cards and games of numbers like cockfighting, authorized, licensed and regulated by local government units. The conduct of such games of chance, games of cards and games of numbers covered by existing franchises, regulatory bodies or special laws, to the extent of the jurisdiction and powers granted under such franchises and special laws, shall be outside the licensing authority and regulatory powers of the PAGCOR." (Underscoring supplied)

Aside from extending its franchise for another 25 years, R.A. No. 9487 gave PAGCOR the authority not only to operate but also to license gambling casinos, gaming clubs, and other similar recreation and amusement places, with the exception of *jai-alai*. Meanwhile, the law already required PAGCOR to obtain the consent of the local government unit that has territorial jurisdiction over the area where it chooses to operate in.

R.A. No. 9487 also stated that PAGCOR's authority and power to regulate games of chance, games of cards, and games of numbers do not extend to: (1) games of chance authorized, licensed and regulated or to be authorized, licensed and regulated by, in, and under existing franchises or other regulatory bodies; (2) games of chance, games of cards and games of numbers authorized, licensed, regulated by, in, and under special laws such as R.A. No. 7922; and (3) games of chance, games of cards and games of numbers, like cockfighting, authorized, licensed and regulated by local government units. Verily, these exceptions are expressly mandated to be outside PAGCOR's licensing authority and regulatory powers.

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The Issuance of the RR-POGO

On September 1, 2016, the Board of Directors of PAGCOR approved the RR-POGO. The objectives for its issuance were enumerated in Section 2 thereof:

> Section 2. *Licensing Objectives*– PAGCOR is mandated under P.D. 1869, to centralize and integrate all games of chance, and granted under the same law with corporate powers, to do anything and everything necessary, proper, desirable, convenient or suitable for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any its powers, hence in furtherance thereof, these regulations are issued with the following objectives:
>
> a.) Curtail the proliferation of illegal online games operating within the territorial jurisdiction of the Philippines whether on land or sea;
> b.) Ensure that online games are properly regulated and monitored, especially those which operate under the guise of a valid franchise but are in fact operating outside the territorial limits of its franchisor/regulator;
> c.) Provide an avenue for these operators, who are wanting to operate within legal bounds but are without recourse because of the absence of a regulating body, willing and legally capable to issues them franchises;
> d.) Safeguard the welfare of the Filipino people by ensuring that no Filipino, whether minor or of age, are able to place bets on or are being exploited by these online games; and
> e.) Be able to monitor that these online games are not being used as a means of committing crimes, or used as schemes to circumvent anti-money-laundering laws[.]

Under the RR-POGO, Philippine Offshore Gaming Operators are entities that provide and participate in offshore gaming services, or that which provide the games to players, takes bets, and pays the player's winnings.[12] These operators must obtain a license from, and must be duly authorized by PAGCOR to provide offshore gaming services.[13]

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[12] RR-POGO, Sec. 4(c).

[13] RR-POGO, Secs. 8 and 26 provide:

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In this regard, offshore gaming was defined in the RR-POGO as:

Section 4. *Definition of Terms*. - When used in this regulation the following terms are to be understood as:

x x x x

b.) Offshore Gaming – refers to the offering by a licensee of PAGCOR authorized online games of chance *via* the internet using a network and software program, exclusively to offshore authorized players excluding Filipinos abroad, who have registered and established an online gaming account with the licensee. Offshore gaming shall have three components as follows:

Section 8. *Requirements*. – The applicant for Offshore Gaming License must meet the following requirements:

a.) Duly constituted business enterprise organized in the Philippines or any foreign country; if organized in any country other than the Philippines, must have a POGO Gaming Agent;

b.) Compliance with the regulator's licensing process and requirements which includes the following elements:

b.1.) Probity check to be conducted by a third party checker on applicant's identity or each of key officials of the corporate applicant; finances, integrity, competence and criminality;

b.2.) Review of applicant's business plan;

b.3.) Review of applicant's statutory and operational documentations;

b.4) Review of applicant's gaming system which shall be aptly certified by a PAGCOR accredited gaming laboratory.

c.) Must have been issued a Letter of No Objection (LONO) from the LGU on which the offshore gaming operations shall be conducted[.]

Section 26. *Qualifications of Licensee*. - The Board shall not grant a license unless it is satisfied that the applicant meets the following eligibilities, as applicable:

(a) Of good repute, considering character, honesty and integrity;

(b) Not associated to any person who, in the opinion of the Board, is not of good repute considering character, honesty, and integrity or has undesirable or unsatisfactory financial resources;

(c) Sufficient experience and ability to establish and manage offshore gaming operations;

(d) Not among those excluded from engaging in gaming under this regulation or any other law on the matter; and

(e) In the case of an artificial person, of stable financial standing and satisfactory corporate structure[.]

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b.1.) prize consisting of money or something else of value which can be won under the rules of the game.
b.2.) a player who:
b.2.a.) being located outside of the Philippines and not a Filipino citizen, enters the game remotely or takes any step in the game by means of a communication device capable of accessing an electronic communication network such as the internet.
b.2.b.) gives or undertakes to give a monetary payment or other valuable consideration to enter in the course of, or for, the game; and
b.3.) the winning of a prize is decided by chance.

An Offshore Gaming License may be issued to: (1) a Philippine-based operator, or one which is a duly constituted business enterprise organized in the Philippines; or (2) an Offshore-based operator, a duly constituted business enterprise organized in any foreign country but who will engage the services of a PAGCOR-accredited service or support provider for its online gaming activity.[14]

Other auxiliary service providers, such as Gaming Software/ Platform Providers,[15] Gaming Support Providers,[16] Business

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[14] RR-POGO, Sec. 6.

[15] Sections 13 and 14 of RR-POGO state:
Section 13. *Gaming Software/Platform Provider Registration*. – To be issued to Service Providers of gaming systems or platforms to be leased by the offshore gaming operator.
Section 14. *Requirements*. – The Gaming Software or Platform Provider of the offshore gaming operator in the country must be a duly constituted business enterprise, and compliant with the latter's licensing process and requirements which include the following elements:
a.) Probity check on applicant's identity or each of key officials of the corporate applicant; finances, integrity, competence and criminality
b.) Review of applicant's statutory and operational documentations.

[16] Sections 16 and 17 of RR-POGO state:
Section 16. Gaming Support Provider Registration. – To be issued to the provider of other gaming products sourced separately by the Operator which are not part of its leased gaming system such as payment solutions, player registration system, *inter alia*.
Section 17. *Requirements*. – The Gaming Support Provider of the offshore gaming operator in the country must be a duly constituted business enterprise,

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Process Outsourcing units,[17] and Data/Content Streaming Providers,[18] are likewise required to register with PAGCOR

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and compliant with the latter's licensing process and requirements which include the following elements:

a.) Probity check on applicant's identity or each of key officials of the corporate applicant; finances, integrity, competence and criminality

b.) Review of applicant's statutory and operational documentations.

[17] RR-POGO, Secs. 19 and 20 state:

Section 19. *Business Process Outsourcing (BPO) Registration*. – Those providing call center services to the operator shall likewise be registered.

Section 20. *Requirements*. – Applicant for registration shall submit and comply with the following:

a) Must be duly constituted business enterprise in the Philippines;

b) Compliance with the requirements for application as an accredited or registered enterprise of the regulator which includes the following elements:

b.1.) Probity check on applicant's identity or each of key officials of the corporate applicant; finances, integrity, competence and criminality;

b.2.) Review of applicant's statutory and operational documentations.

c) Duly executed Service Agreement with a licensed Offshore Gaming Operator, when applicable.

[18] RR-POGO, Secs. 22 and 23 state:

Section 22. Data/Content Streaming Provider. – Those providing real time streaming of casino games from a live dealer gaming studio set-up to the operator shall likewise be registered and shall be required to obtain a Permit to Posses of their gaming equipment and paraphernalia.

The Permit to Possess ("PTP") is a certificate issued by PAGCOR to providers of a studio gaming set-up. The PTP allows said provider to import, store, transfer/move, ship-out and operate gaming equipment and/or gaming paraphernalia in its gaming studio for the sole purpose of video streaming footages of live gaming action in conjunction with the operation of offshore gaming as contemplated in these regulations. Taxes and duties levied on the importation of any gaming equipment and/or paraphernalia brought into the country by the provider shall be for its sole account. The PTP is site specific and issued on a per venue basis.

Section 23. Requirements. – Applicant for registration as Data/Content Streaming Provider shall submit and comply with the following:

a) Duly accomplished Application for Permit to Possess (OG Form No. ___)

b) Copy of the Registration Certificates issued by either the Department of Trade and Industry (DTI) or the Securities and Exchange Commission (SEC), whichever is applicable

c) Photocopy of the Mayor's Permit or Business Permit

under the RR-POGO before they can render service to the Philippine Offshore Gaming Operators.

Once issued, an Offshore Gaming License covers the following game offerings: (1) Electronic Casino (*e-casino*), or Random Number Generator-based or "live" dealer games, including table games, slots, other card, wheel and dice games, skill games, and arcade type games; and (2) sports betting.

According to PAGCOR, there are a total of 33 Philippine Offshore Gaming Operators already approved and licensed in accordance with the RR-POGO, two of which have no authority to resume operations.[19]

The Petitions Before this Court

Following the issuance of the RR-POGO are the consolidated Petitions filed before this Court by petitioners Jovencio H. Evangelista (*Evangelista*), Miguel Daniel C. Cruz (*Cruz*), Chairperson of the Union for National Development and Good Governance-Philippines, and the Anti-Trapo Movement of the Philippines, Inc., represented by its Founding Chairperson, Leon Estrella Peralta, all assailing the constitutionality and legality of PAGCOR's power and authority to issue licenses to and approve the registration of Philippine Offshore Gaming Operators.

Procedurally, Evangelista and Cruz argued that they have the position to question the constitutionality of the RR-POGO

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d) Compliance with the requirements for application as an accredited or registered enterprise of the regulator which includes the following elements:
   d.1.) Probity check on applicant's identity or each of key officials of the corporate applicant, finances, integrity, competence and criminality;
   d.2.) Review of applicant's statutory and operational documentations[.]

e) Duly executed Service Agreement with a licensed Offshore Gaming Operator.

[19] List of Approved Philippine Offshore Gaming Operations (https://www.pagcor.ph/regulatory/pdf/offshore/List-of-Approved-Philippine-Offshore-Gaming-Operators.pdf), last accessed January 11, 2022.

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since the issue involved is of transcendental importance. In any case, they assert that they have standing as taxpayers since the implementation of the RR-POGO will entail unnecessary expenses for the government, particularly with the creation of various committees thereunder.[20] Cruz also argued that given that the issue raised in the present case is of transcendental importance, a direct resort to this Court *via* Rule 65 of the Rules of Court is proper.[21]

On the merits, Evangelista argued that the RR-POGO is unconstitutional since PAGCOR has no authority to operate and regulate online gambling under its charter. He maintained that P.D. No. 1869, issued on July 11, 1983, could not have envisioned online gaming and/or gambling since the internet was not yet existing at the time. Nevertheless, he pointed out that R.A. No 9487, which amended Section 10 of P.D. No. 1869, and which was approved on June 20, 2007 when the internet was already widely used, still did not mention online gambling as within the authority and jurisdiction of PAGCOR.[22]

Evangelista further argued that Section 10 of P.D. No. 1869, as amended, excluded from the power and authority of PAGCOR those games of chance, games of cards, or games of numbers already licensed, regulated by, in, and under special laws, such as R.A. No. 7922.[23] In this regard, Section 6(f)[24] of R.A. No.

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[20] *Rollo* (G.R. No. 228234), Vol. I, pp. 3–4; *Rollo* (G.R. No. 228315), Vol. I, pp. 6–7.

[21] *Rollo* (G.R. No. 228315), Vol. I, p. 7.

[22] *Rollo* (G.R. No. 228234), Vol. I, pp. 18–19.

[23] "*An Act Establishing a Special Economic Zone and Free Port in the Municipality of Santa Ana and the Neighboring Islands in the Municipality of Aparri, Province of Cagayan, Providing Funds Therefor, and for Other Purposes. Also known as the "Cagayan Special Economic Zone Act of 1995.*" Approved: February 24, 1995.

[24] Sec. 6. *Powers and Functions of the Cagayan Economic Zone Authority*. — The Cagayan Economic Zone Authority shall have the following powers and functions:

(f) To operate on its own, either directly or through a subsidiary entity, or license to others, tourism-related activities including games,

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7922, Section 13(b)(7)[25] of R.A. No. 7227,[26] and R.A. Act No. 7916[27] empowered the respective economic zones they created to directly or indirectly operate gambling and casinos within its jurisdiction. Thus, assuming that PAGCOR may issue license to any entity who wants to operate an offshore gaming activity, it cannot do so in the areas covered by the economic zones.[28]

On the other hand, Cruz added that PAGCOR is not authorized under its legislative franchise to operate and regulate gambling on the internet catering to foreign-based players and gamblers that are physically outside the Philippines. He argued that for PAGCOR to have authority and jurisdiction, three elements are required: (1) the game of chance must be done on either land or sea; (2) it must be within the territorial jurisdiction of the Philippines; and (3) it must not be regulated by other regulatory bodies or governed by special laws.[29]

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amusements, recreational and sports facilities such as horse racing, dog racing, gambling casinos, golf courses, and others, under priorities and standards set by the CEZA.

[25] SECTION 13. *The Subic Bay Metropolitan Authority*. —
(b) *Powers and Functions of the Subic Bay Metropolitan Authority*. — The Subic Bay Metropolitan Authority, otherwise known as the Subic Authority, shall have the following powers and functions:
(7) To operate directly or indirectly or license tourism-related activities subject to priorities and standards set by the Subic Authority including games and amusements, except horse racing, dog racing and casino gambling which shall continue to be licensed by the Philippine Amusement and Gaming Corporation (PAGCOR) upon recommendation of the Conversion Authority; to maintain and preserve the forested areas as a national park.

[26] "*An Act Accelerating the Conversion of Military Reservations into Other Productive Uses, Creating the Bases Conversion and Development Authority for the Purpose, Providing Funds Therefor and for Other Purposes.*" Also known as "Bases Conversion and Development Act of 1992." Approved: March 13, 1992.

[27] "*An Act Providing for the Legal Framework and Mechanisms for the Creation, Operation, Administration, and Coordination of Special Economic Zones in the Philippines, Creating for this Purpose, the Philippine Economic Zone Authority (PEZA), and for Other Purposes.*" Also known as "The Special Economic Zone Act of 1985. Approved: February 24, 1995.

[28] *Rollo* (G.R. No. 228234), Vol. I, pp. 23–26.

[29] *Rollo* (G.R. No. 228315), Vol. I, p. 8.

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Finally, the Anti-Trapo Movement of the Philippines, Inc. argued that PAGCOR is not allowed under its charter to relinquish or share its franchise, much less grant a veritable franchise to another entity. Moreover, there is no other authority under existing laws that is explicitly granted the mandate to issue online gaming licenses and regulate the same, other than the Aurora Pacific Economic Zone and Freeport Authority under Section 12(f)[30] of R.A. No. 9490,[31] as amended by R.A. No. 10083.

Petitioners prayed that the RR-POGO be declared null and void for being unconstitutional.[32]

Respondents PAGCOR, Andrea D. Domingo, Alfredo C. Lim, Carmen N. Pedrosa, Reynaldo E. Concordia, and Gabriel S. Claudio, through the Office of the Government Corporate Counsel, filed a Consolidated Comment[33] to the Petitions of Evangelista and Cruz, maintaining the validity of the RR-POGO and the authority of PAGCOR to regulate online offshore gambling.

Subsequently, the Office of the Solicitor General, on behalf of respondents, similarly filed a Consolidated Comment[34] to the

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[30] SEC. 12. *Powers and Functions of the Aurora Pacific Economic Zone and Freeport Authority (APECO)*. — The APECO shall have the following powers and functions:

(f) To operate on its own, either directly or through a subsidiary entity, or concession or license to others, tourism-related activities, including games, amusements and nature parks, recreational and sports facilities such as casinos, online game facilities, golf courses and others under priorities and standards set by the APECO.

[31] "*An Act Establishing the Aurora Special Economic Zone in the Province of Aurora, Creating for the Purpose the Aurora Special Economic Zone Authority, Appropriating Funds Therefor, and for Other Purposes.*" Also known as the "Aurora Special Economic Zone Act of 2007." Approved: June 29, 2007.

[32] *Rollo* (G.R. No. 228234), Vol. I, p. 27; *Rollo* (G.R. No. 228315), Vol. I, p. 21; *Rollo* (G.R. No. 230080), Vol. I, p. 15.

[33] Consolidated Comment dated March 20, 2017; *Rollo* (G.R. No. 228315), Vol. 1, pp. 122–157.

[34] Consolidated Comment dated April 20, 2017; *Rollo* (G.R. No. 228234), Vol. I, pp. 164–222.

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Petitions of Evangelista and Cruz and a Comment[35] to the Petition of Anti-Trapo Movement of the Philippines, Inc.

Respondents argued that the remedies of *certiorari* and prohibition under Rule 65 of the Rules of Court are improper to question the constitutionality of the RR-POGO since it was not issued by PAGCOR in a judicial or quasi-judicial capacity. The proper remedy, it insisted, is a petition for declaratory relief under Section 1, Rule 63 of the Rules of Court. Respondents also contended that petitioners do not have the *locus standi* to file the present Petitions because they are not real parties-in-interest who will suffer any injury resulting from the implementation of the RR-POGO. Petitioners also did not aver that public funds will be illegally disbursed pursuant to the said Rules.[36]

On the substantive issues, respondents argued that it has the authority to issue the RR-POGO under its charter. Under P.D. No. 1869, as amended by R.A. No. 9487, PAGCOR has the authority to operate all games of chance within the territorial jurisdiction of the Philippines, except only: (1) *jai alai*; (2) those authorized, licensed, and regulated by, in, and under existing franchises, or other regulatory bodies; (3) those authorized, licensed, regulated by, in, and under special laws, such as R.A. No. 7922; and (4) those authorized, licensed, and regulated by local government units.[37]

Respondents insisted that all games of chance are centralized and integrated for its regulation, including those already existing at the time of the creation of its charter, and those that may thereafter be invented, such as online gambling.[38]

Respondents contended that contrary to the position of petitioners, the situs of offshore gaming operations is within the Philippine territorial jurisdiction. It stated that while the offshore gaming is offered to persons located outside the Philippines, the

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[35] Comment dated June 6, 2017; *Rollo* (G.R. No. 228234), Vol. I, pp. 308–353.

[36] Id. at 172–184.

[37] Id. at 189.

[38] Id. at 190–191.

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gaming activities are administered by Philippine-based operators or by offshore-based operators that engage the services of a support provider that is located in the country.[39]

Respondents also argued that the CEZA, the SBMA, and the PEZA cannot operate and license online gambling or offshore gaming within their territorial jurisdiction in the absence of an authority or license from it. Their respective charters limit their franchise to operate and license gambling establishments to tourism-oriented only gaming.[40]

Respondents thus prayed that the consolidated Petitions be denied for lack of merit.

This Court's Ruling

Propriety of the remedies of certiorari and prohibition

Petitioners seek to declare as unconstitutional the RR-POGO through the vehicles of *certiorari* and prohibition under Rule 65 of the Rules of Court. Respondents, for their part, argue that *certiorari* and prohibition are improper remedies since the RR-POGO was not issued by PAGCOR in a judicial or quasi-judicial capacity.

Acts of administrative agencies reviewable by this Court are made in either quasi-legislative or quasi-judicial capacity.[41] In *The Provincial Bus Operators Association of the Philippines et al. v. Department of Labor and Employment et al.*,[42] We discussed these two concepts, thus:

> As the name implies, quasi-legislative or rule-making power is the power of an administrative agency to make rules and regulations that have the force and effect of law so long as they are issued "within the confines of the granting statute." The enabling law must be complete,

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[39] Id. at 199.

[40] Id. at 204–209.

[41] *The Provincial Bus Operators Association of the Philippines et al. v. Department of Labor and Employment et al.*, 836 Phil. 205, 233 (2018).

[42] 836 Phil. 205 (2018).

with sufficient standards to guide the administrative agency in exercising its rule-making power. As an exception to the rule on non-delegation of legislative power, administrative rules and regulations must be "germane to the objects and purposes of the law, and be not in contradiction to, but in conformity with, the standards prescribed by law."

x x x x

On the other hand, quasi-judicial or administrative adjudicatory power is "the power to hear and determine questions of fact to which the legislative policy is to apply and to decide in accordance with the standards laid down by the law itself in enforcing and administering the same law."[43]

Here, the RR-POGO was issued in the exercise of PAGCOR's quasi-legislative powers. Particularly, the RR-POGO outlines the procedure for the licensing, accreditation, and registration of offshore gaming operators, offshore gaming agents, and other auxiliary service providers. This is pursuant to PAGCOR's power under Section 8 of P.D. No. 1869 to promulgate rules and regulations relevant to the registration of persons engaged in gambling, thus:

SEC. 8. REGISTRATION. — All persons primarily engaged in gambling, together with their allied business, with contract or franchise from the Corporation, shall register and affiliate their businesses with the Corporation. The Corporation shall issue the corresponding certificates of affiliation upon compliance by the registering entity with the promulgated rules and regulations thereon.

Strictly speaking, the remedies of *certiorari* and prohibition under Rule 65 of the Rules of Court are appropriate to question the acts or proceedings of a tribunal, board, or officer exercising judicial, quasi-judicial, or ministerial functions attended with grave abuse of discretion. Sections 1 and 2 of Rule 65 of the Rules of Court state:

SECTION 1. *Petition for certiorari*. — When any tribunal, board or officer exercising judicial or quasi-judicial functions has acted without or in excess of its or his jurisdiction, or with grave abuse of discretion amounting to lack or excess of jurisdiction, and there is no appeal, or any plain, speedy, and adequate remedy in the ordinary course of law, a

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[43] Id. at 233–234. (Citations omitted)

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person aggrieved thereby may file a verified petition in the proper court, alleging the facts with certainty and praying that judgment be rendered annulling or modifying the proceedings of such tribunal, board or officer, and granting such incidental reliefs as law and justice may require.

The petition shall be accompanied by a certified true copy of the judgment, order or resolution subject thereof, copies of all pleadings and documents relevant and pertinent thereto, and a sworn certification of non-forum shopping as provided in the third paragraph of Section 3, Rule 46.

SECTION 2. *Petition for prohibition*. — When the proceedings of any tribunal, corporation, board, officer or person, whether exercising judicial, quasi-judicial or ministerial functions, are without or in excess of its or his jurisdiction, or with grave abuse of discretion amounting to lack or excess of jurisdiction, and there is no appeal or any other plain, speedy, and adequate remedy in the ordinary course of law, a person aggrieved thereby may file a verified petition in the proper court, alleging the facts with certainty and praying that judgment be rendered commanding the respondent to desist from further proceedings in the action or matter specified therein, or otherwise granting such incidental reliefs as law and justice may require.

The petition shall likewise be accompanied by a certified true copy of the judgment, order or resolution subject thereof; copies of all pleadings and documents relevant and pertinent thereto, and a sworn certification of non-forum shopping as provided in the third paragraph of Section 3, Rule 46.

In its traditional sense, the writs of *certiorari* and prohibition are considered "supervisory writs," used by superior courts to keep lower courts within the confines of their granted jurisdictions to the end of ensuring orderliness in the rulings of the lower courts.[44]

Nevertheless, this Court, in many cases,[45] has allowed the use of a petition for *certiorari* and/or prohibition under Rule 65 of the

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[44] *Association of Medical Clinics for Overseas Workers, Inc. (AMCOW) v. GCC Approved Medical Centers Association, Inc. et al.*, 802 Phil. 116, 136 (2016).

[45] *Kilusang Mayo Uno et al. v. Aquino III*, 850 Phil. 1168 (2019); *Private Hospitals Association of the Philippines, Inc. v. Exec. Sec. Medialdea et al.*, 842 Phil. 747 (2018); *Araullo et al. v. Pres. Aquino III et al.*, 752 Phil. 716 (2014); *Sps. Imbong v. Hon. Ochoa, Jr.*, 732 Phil. 1 (2014); *Belgica v. Hon. Exec. Sec. Ochoa, Jr.*, 721 Phil. 416 (2013); *Magallona v. Hon. Ermita*, 671 Phil. 243

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Rules of Court to invoke our expanded judicial power under the Section 1, Article VIII, 1987 Constitution –

> SECTION 1. The judicial power shall be vested in one Supreme Court and in such lower courts as may be established by law.
>
> Judicial power includes the duty of the courts of justice to settle actual controversies involving rights which are legally demandable and enforceable, and to determine whether or not there has been a grave abuse of discretion amounting to lack or excess of jurisdiction on the part of any branch or instrumentality of the Government.

In *Francisco, Jr. v. The House of Representatives*,[46] We emphasized that this power, also called the "expanded *certiorari* jurisdiction" of this Court, was engraved into block letter law, for this first time in history, in Section 1, Article VIII of the 1986 Constitution "[t]o ensure the potency of the power of judicial review to curb grave abuse of discretion by '*any branch or instrumentalities of the government*.'"[47]

On this note, We held in *Araullo et al. v. Pres. Aquino III et al.*[48] that, with respect to this Court, the remedies of *certiorari* and prohibition are necessarily broader in scope and reach. Thus, it is now settled that —

> the writ of *certiorari* or prohibition may be issued to correct errors of jurisdiction committed not only by a tribunal, corporation, board or officer exercising judicial, quasi-judicial or ministerial functions but also to set right, undo and restrain any act of grave abuse of discretion amounting to lack or excess of jurisdiction by any branch or instrumentality of the Government, *even if the latter does not exercise judicial, quasi-judicial or ministerial functions*."[49]

As the present Petitions allege that the issuance of the RR-POGO was attended with grave abuse of discretion and violates

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(2011); *Province of North Cotabato v. The Government of the Republic of the Philippines Peace Panel on Ancestral Domain (GRP)*, 589 Phil. 387 (2008).

46 460 Phil. 830 (2003).

47 Id. at 883. (Emphasis in the original)

48 *Supra* note 45.

49 Id. at 806, see Separate Opinion of Associate Justice Arturo D. Brion.

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the Constitution, they make a *prima facie* case for *certiorari* and prohibition.

The doctrine of hierarchy of courts; when direct resort to this Court is warranted

While this Court's expanded judicial power may be invoked through the vehicles of *certiorari* and prohibition under Rule 65 of the Rules of Court, this does not give the parties the unbridled right to directly seek redress from this Court.

This Court, the Court of Appeals, and the Regional Trial Court have concurrent original jurisdiction over petitions for *certiorari* and prohibition.[50] The doctrine of hierarchy of courts mandates that "recourse must first be made to the lower-ranked court exercising concurrent jurisdiction with a higher court."[51] The doctrine is meant to guarantee this Court's status as the court of last resort so that it can "satisfactorily perform the functions assigned to it by the fundamental charter and immemorial tradition."[52] Stated otherwise, giving due course to all petitions where original jurisdiction over the matter is shared with lower courts will unnecessarily clog this Court's docket and exhaust resources that may be better utilized to resolve more pressing concerns.[53]

Nevertheless, this Court has emphasized that the doctrine of hierarchy of courts is not an iron-clad rule.[54] In *The Diocese of Bacolod et al. v. Commission on Elections et al.*,[55] We stated that it has never been the purpose of the doctrine to emasculate this Court's role to interpret the Constitution and act in order to

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[50] Constitution, Art. VIII, Sec. 2, par. (1) and Batas Pambansa Blg. 129, Secs. 9 (1) and 2(1).

[51] *Private Hospitals Association of the Philippines, Inc. v. Exec. Sec. Medialdea et al.*, *supra* note 45, at 779–780.

[52] *The Provincial Bus Operators Association of the Philippines et al. v. Department of Labor and Employment et al.*, *supra* note 42, at 238–239.

[53] *Santos v. Gabaen*, G.R. No. 195638, March 22, 2022.

[54] *The Diocese of Bacolod v. Commission on Elections et al.*, 751 Phil. 301, 330 (2016).

[55] 751 Phil. 301 (2016).

protect constitutional rights when these become exigent. Thus, it was held that direct resort to this Court is allowed in the following instances: (1) there are genuine issues of constitutionality that must be addressed at the most immediate time; (2) when the issues involved are of transcendental importance; (3) the case is of first impression; (4) the constitutional issues raised are better decided by this Court; (5) the time element present in the case cannot be ignored; (6) the petition reviews the act of a constitutional organ; (7) petitioners rightly claim that they had no other plain, speedy, and adequate remedy in the ordinary course of law; and (8) the petition includes questions that are dictated by public welfare and the advancement of public policy, or demanded by the broader interest of justice, or the orders complained for were found to be patent nullities, or the appeal was considered as clearly an inappropriate remedy.[56]

To justify a direct resort to this Court, the parties must clearly and specifically allege in their petitions the special and important reasons therefor.[57] More importantly, We emphasized in *GIOS-SAMAR, Inc. v. Department of Transportation and Communications et al. (GIOS-SAMAR)*,[58] that to invoke this Court's original jurisdiction, only questions of law must be involved. This Court is not a trier of facts; it is not equipped to receive and evaluate evidence in the first instance. Our duty is to apply the law based on previously established facts presented before Us.[59]

Here, Cruz alleges that the direct resort to this Court is justified because the issue raised is of transcendental importance. Aside from the mere invocation of the words "transcendental importance," Cruz failed to substantiate his claim. This Court has recognized that the standard of transcendental importance is "vague, open-ended and value-laden," which should be limited in

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[56] Id. at 331–335. (Citations omitted)

[57] *The Provincial Bus Operators Association of the Philippines et al. v. Department of Labor and Employment et al.*, *supra* note 42, at 239.

[58] 849 Phil. 120 (2019).

[59] Id. at 180.

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its use as an exemption to the doctrine of hierarchy of courts.[60] In his Concurring Opinion in *GIOS-SAMAR*, Senior Associate Justice Marvic M.V.F. Leonen also opined that when invoking transcendental importance, the elements, supported by the facts of an actual case, as well as the imperative of this Court's role within a specific cultural or historic context, must be clear and properly pleaded.[61]

Unfortunately, petitioners failed to show exceptionally compelling reasons to justify direct resort to this Court. Petitioners were not able to clearly explain why preventing PAGCOR from regulating and requiring the registration of offshore gaming operations is of transcendental importance, warranting the immediate attention of this Court and a deviation from the doctrine of hierarchy of courts. Questions on the validity and constitutionality of the RR-POGO, to be sure, may have well been passed upon by the Court of Appeals, which similarly has jurisdiction over the subject matter and whose writs are likewise nationwide in scope.[62]

For non-observance of the doctrine of hierarchy of courts alone, the consolidated Petitions may be dismissed.

The requisites for judicial review

Even assuming that the direct invocation of this Court's original jurisdiction is justified, the consolidated Petitions are nonetheless dismissible for not being justiciable.

This Court's exercise of its power of judicial review is subject to four well-settled limitations:

(1) an actual case or controversy calling for the exercise of judicial power;

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[60] *Association of Medical Clinics for Overseas Workers, Inc. (AMCOW) v. GCC Approved Medical Centers Association, Inc. et al.*, *supra* note 44, at 159.

[61] Concurring Opinion of Senior Associate Justice Marvic M.V.F. Leonen in *GIOS-SAMAR, Inc. v. Department of Transportation and Communication et al.*, *supra* note 58, at 194.

[62] *The Provincial Bus Operators Association of the Philippines et al. v. Department of Labor and Employment et al.*, *supra* note 42, at 243.

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(2) the person challenging the act must have 'standing' to challenge; he or she must have a personal and substantial interest in the case such that he or she has sustained, or will sustain, direct injury as a result of this enforcement;
(3) the question on constitutionality must be raised at the earliest possible opportunity; and
(4) the issue of constitutionality must be the very *lis mota* of the case.[63]

This Court shall focus on the first and second elements, the third and the fourth not being disputed in this case.

The requirement of an actual case or controversy is explicit in Section 1, Article VIII of the Constitution, defining judicial power to include the courts' duty "to settle actual controversies involving rights that are legally demandable and enforceable."

In *Kilusang Mayo Uno et al. v. Aquino III et al.*,[64] this Court explained the concept of an actual case or controversy in more detail:

> There is an actual case or controversy if there is a "conflict of legal right, an opposite legal claims susceptible of judicial resolution." A petitioner bringing a case before this Court must establish that there is a legally demandable and enforceable right under the Constitution. There must be a real and substantial controversy, with definite and concrete issues involving the legal relations of the parties, and admitting of specific relief that courts can grant.[65] (Citations omitted)

The requirement of an actual case or controversy prevents academic exercises from this Court and the issuance of decisions with no practical use or value.[66] Thus, the constitutionality of a statute will be passed upon by this Court "only if, and to the extent that, it is directly and necessarily involved in a justiciable

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63 *Francisco, Jr. v. The House of Representatives*, *supra* note 46, at 892.

64 *Supra* note 42.

65 Id. at 1188.

66 *Kilusang Magbubukid ng Pilipinas (KMP) v. Aurora Pacific Economic Zone and Freeport Authority*, G.R. No. 198688, November 24, 2020. (Citations omitted)

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controversy and is essential to the protection of the rights of the parties concerned."[67]

Inextricably related to the requirement of an actual case or controversy is the element of ripeness, that is, whether the constitutional questions raised before the court are ripe for adjudication. In dealing with ripeness, this Court has consistently inquired into whether the act being challenged had a direct adverse effect on the individual challenging it.[68] In *Atty. Lozano et al. v. Speaker Nograles*,[69] this Court said that whether a case is ripe for adjudication is determined by an evaluation of two aspects: "*first*, the fitness of the issues for judicial decision; and *second*, the hardship to the parties entailed by withholding court consideration."[70]

In *Aguinaldo v. New Bilibid Prison*,[71] petitioner therein assailed Resolution No. 9371, or the Rules and Regulations on Persons Deprived of Liberty (*PDL*) Registration and Voting in Connection with the May 13, 2013 National and Local Elections and Subsequent Elections Thereafter issued by the Commission on Elections, arguing that the Resolution did not undergo prior public consultations, violated the equal protection clause, and failed to address certain operational and logistical blind spots. This Court dismissed the petition, holding that there is no actual case or controversy presented. We said that the existence of actual clash between legal rights brought about by the assailed act is required before this Court may exercise the power of judicial review.[72] On this score, "for there to be a real conflict between the parties, there must exist actual facts from which courts can properly determine *whether there has been a breach*

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[67] Id., citing *Provincial Bus Operators Association of the Philippines et al. v. Department of Labor and Employment et al.*, *supra* note 42, at 244.

[68] *Belgica v. Hon. Exec. Sec. Ochoa, Jr.*, *supra* note 42, at 519.

[69] 607 Phil. 334 (2009).

[70] Id. at 341.

[71] G.R. No. 221201, March 29, 2022.

[72] Id.

of constitutional text."[73] In that case, petitioner failed to show the effect of the assailed Resolution on him and how it may have diminished his legal rights, facts that would support the alleged unconstitutionality of the act of the Commission on Elections.

Similarly, in this case, petitioners failed to allege, must less show, how they will be adversely affected by the issuance of the RR-POGO. They failed to specify which of their legal and constitutional rights are supposedly infringed by the regulation of offshore gaming operations by PAGCOR. To be sure, it is not the mere passage of a law that determines whether a particular case attacking its constitutionality is justiciable.[74] Where the constitutionality of a law is being assailed, more than the passage or effectivity of the law, the petitioners "must assert a specific and concrete legal claim, or show the law's direct adverse effect on them."[75] Without a definite showing of any clear right of petitioners supposedly violated by the issuance and implementation of the RR-POGO, there is no actual case or controversy for this Court to resolve.

Indeed, petitioners' failure to establish their rights and how they will be materially affected by the issuance and implementation of the RR-POGO also affects their legal standing to bring the present case.

Evangelista and Cruz argue that they have standing as taxpayers to question the constitutionality of the RR-POGO since the implementation of the RR-POGO will entail unnecessary expenses for the government. They also assert that in any case, since the issue involved is of transcendental importance, the requirement on standing may be relaxed.

Locus standi, or legal standing, means "personal and substantial interest in a case such that the party has sustained or

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[73] Id., citing *Provincial Bus Operators v. Association of the Philippines et al. v. Department of Labor and Employment et al.*, *supra* note 42, at 246.

[74] *Joint Ship Manning Group, Inc. v. Social Security System*, G.R. No. 247471, July 7, 2020.

[75] *Lagman v. Exec. Sec. Ochoa, Jr.*, G.R. Nos. 197422 & 197950, November 3, 2020. (Citations omitted)

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will sustain direct injury as a result of the governmental act that is being challenged."[76] In *Agan, Jr. v. Philippine International Air Terminals Co., Inc.*,[77] this Court elaborated on the requirement of legal standing:

> The question on legal standing is whether such parties have "alleged such a personal stake in the outcome of the controversy as to assure that concrete adverseness which sharpens the presentation of issues upon which the court so largely depends for illumination of difficult constitutional questions." Accordingly, it has been held that the interest of a person assailing the constitutionality of a statute must be direct and personal. He must be able to show, not only that the law or any government act is invalid, but also that he sustained or is in imminent danger of sustaining some direct injury as a result of its enforcement, and not merely that he suffers thereby in some indefinite way. It must appear that the person complaining has been or is about to be denied some right or privilege to which he is lawfully entitled or that he is about to be subjected to some burdens or penalties by reason of the statute or act complained of.[78] (Citations omitted)

As a rule, therefore, a party assailing the constitutionality of a governmental act must prove the following: "(1) the suing party has personally suffered some actual or threatened injury because of the allegedly illegal conduct of the government; (2) the injury is fairly traceable to the challenged action; and (3) the injury is likely to be redressed by the remedy being sought."[79]

In *Prof. David v. Pres. Macapagal-Arroyo*,[80] however, this Court recognized that parties not claiming direct injury may still be accorded standing to sue, provided:

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[76] *Confederation for Unity, Recognition and Advancement of Government Employees v. Abad*, G.R. No. 200418, November 10, 2020, citing *Galicto v. Aquino III*, 683 Phil. 141 (2012).

[77] 450 Phil. 744 (2003).

[78] Id. at 802.

[79] *Del Rosario et al. v. Commission on Elections et al.*, G.R. No. 247610, March 10, 2020; *Atty. Lozano et al. v. Speaker Nograles*, *supra* note 66, at 342.

[80] 522 Phil. 705 (2006).

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(1) the cases involve constitutional issues;

(2) for taxpayers, there must be a claim of illegal disbursement of public funds or that the tax measure is unconstitutional;

(3) for voters, there must be a showing of obvious interest in the validity of the election law in question;

(4) for concerned citizens, there must be a showing that the issues raised are of transcendental importance which must be settled early; and

(5) for legislators, there must be a claim that the official action complained of infringes upon their prerogatives as legislators.[81] (Emphasis omitted)

Nevertheless, We emphasized in *Falcis v. Civil Registrar General*,[82] that even for these exceptional suers, a claim of some kind of injury-in-fact to the party must still be made. Thus, for taxpayers, they must "show sufficient interest in preventing the illegal expenditure of money raised by taxation"[83] and that they "would sustain a direct injury as a result of the enforcement of the questioned statute or contract." Mere general interest common to all members of the public is not sufficient.[84]

Here, petitioners have not shown any direct and personal interest in the enforcement of the RR-POGO. There is no indication that they have sustained or are in imminent danger of sustaining some direct injury as a result of its implementation. As things stand, petitioners failed to show what affirmative relief they seek from PAGCOR or the respondents that would redound to their personal benefit or gain. Obviously, they have no legal standing to file the present case.

To be clear, petitioners' mere invocation of the alleged transcendental importance of the issue involved in the case does not automatically clothe them with the required legal standing.

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[81] Id. at 760.

[82] 861 Phil. 388 (2019).

[83] Id. at 533.

[84] *Francisco, Jr. v. The House of Representatives*, *supra* note 46, at 896.

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This Court has held that in determining whether a matter is of transcendental importance, it must be guided by the presence of three factors:

> (1) the character of the funds or other assets involved in the case; (2) the presence of a clear case of disregard of a constitutional or statutory prohibition by the public respondent agency or instrumentality of the government; and (3) the lack of any other party with a more direct and specific interest in the questions being raised.[85]

Here, all the elements are conspicuously absent. First, it must be noted that the RR-POGO is not a tax disbursement measure and does not involve the expenditure of public funds *per se*. Second, petitioners failed to specify which Constitutional or legal provision was violated by PAGCOR in issuing the RR-POGO. Finally, the parties with the more direct and specific interest in the issue involved, *i.e.*, the offshore gaming operators and other auxiliary providers, exist but not joined as petitioners in the present case. Verily, the supposed transcendental importance of the questions raised in the case was not sufficiently established.

All told, in view of petitioners' failure to observe the doctrine of hierarchy of courts and sufficiently establish the elements of judicial review, this Court shall refrain from discussing the constitutionality and legality of the RR-POGO.

With regard to their prayer for the issuance of a temporary restraining order and/or writ of preliminary injunction, petitioners failed to show that there was an invasion of a clear material and substantial right, or an urgent and paramount necessity to prevent serious damage.[86] Consequently, their prayer for the issuance of a temporary restraining order and/or writ of preliminary injunction is denied.

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[85] *Chamber of Real Estate and Builder's Association, Inc. v. Energy Regulatory Commission (ERC) et al.*, 638 Phil. 542, 556–557 (2010), citing *Senate of the Philippines v. Ermita*, 522 Phil. 1, 31 (2006).

[86] *The City Government of Baguio et al. v. Atty. Masweng et al.*, 835 Phil. 501, 514 (2018).

ACCORDINGLY, the Consolidated Petitions in G.R. Nos. 228234, 228315 and 230080 are **DISMISSED**. Petitioners' prayer for the issuance of a temporary restraining order and/or writ of preliminary injunction is **DENIED**.

SO ORDERED.

Gesmundo, C.J., Caguioa, Lazaro-Javier, Inting, Zalameda, M. Lopez, Gaerlan, Dimaampao, Marquez, Kho, Jr., and *Singh, JJ.*, concur.

Leonen, S.A.J., see separate concurring opinion.

Hernando and *Rosario, JJ.*, on leave.

APPEARANCES OF COUNSEL

Vanessa Quiambao Maguigad for petitioner in G.R. No. 228315.
Jovencio H. Evangelista for petitioner in G.R. No. 228234.
Anti-Trapo Movement of the Philippines, Inc. and Leon Estrella Peralta for petitioners in G.R. No. 230080.
Office of the Government Corporate Counsel for PAGCOR.

SEPARATE CONCURRING OPINION

LEONEN, *J.*:

These consolidated Petitions for Review all question the constitutionality of the Rules and Regulations for Philippine Offshore Gaming Operations (POGO) issued by the Philippine Amusement and Gaming Corporation (PAGCOR), via original petitions for *certiorari* and prohibition under Rule 65 of the Rules of Court, filed with this Court.

The *ponencia* finds that, first, the remedies of *certiorari* and prohibition are proper; second, direct resort to this Court is proper under the circumstances; third, the substantive issue presented warrants exception from the requirements of judicial review; and fourth, PAGCOR did not commit any grave abuse of discretion amounting to lack or excess of jurisdiction in issuing the Rules and Regulations.

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Peripherally, it must be noted that in my dissenting opinion in *Saint Wealth Ltd. v. Bureau of Internal Revenue*,[1] I joined Associate Justice Amy C. Lazaro-Javier in concluding that offshore-based POGO licensees are doing business in the Philippines and are subject to regulation by Philippine authorities. Nonetheless, the petitions here should be dismissed outright.

In support of the finding that the substantive issue presented by petitioners warrants exception from the requirement of an actual case or controversy, the *ponencia* states:

> Here, there are two conflicting assertions presented before this Court: petitioners argue that the PAGCOR has no authority to regulate the operations of and issue licenses to off-shore gaming operators. On the other hand, respondents maintain that PAGCOR's regulatory powers extend to all types of games of chance, including online gambling. There is, therefore, a contrariety of claims which is susceptible of adjudication on the basis of existing law and jurisprudence.[2]

Respectfully, I disagree that the above demonstrates a contrariety of claims that rises to the existence of an actual case or controversy.

Drawn from the allegations of the parties to a case, an actual case or controversy is a conflict of legal rights susceptible of judicial resolution:

> An actual case exists "when the act being challenged has had a direct adverse effect on the individual challenging it." Thus, actual case means the presence of that concrete adverseness that can be drawn from the allegations raised by the parties in their pleadings:
>
> > Jurisprudence provides that an actual case or controversy is one which "involves a conflict of legal rights, an assertion of opposite legal claims, susceptible of judicial resolution as distinguished from a hypothetical or abstract difference or dispute." In other words, "[t]here must be a contrariety of legal rights that can be interpreted and enforced on the basis of existing law and jurisprudence." Related to the requirement of an actual case or

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[1] G.R. No. 252965, December 07, 2021 [Per J. Gaerlan, *En Banc*].

[2] Draft Decision, p. 15.

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> controversy is the requirement of "ripeness," meaning that the questions raised for constitutional scrutiny are already ripe for adjudication. "A question is ripe for adjudication when the act being challenged has had a direct adverse effect on the individual challenging it. It is a prerequisite that something had then been accomplished or performed by either branch before a court may come into the picture, and the petitioner must allege the existence of an immediate or threatened injury to itself as a result of the challenged action." "Withal, courts will decline to pass upon constitutional issues through advisory opinions, bereft as they are of authority to resolve hypothetical or moot questions." (Emphasis supplied, citations omitted)

Laws are general in nature. The courts' constitutional duty is "to settle actual controversies involving rights which are legally demandable and enforceable[.]" Courts cannot and will not decide hypothetical issues, render advisory opinions, or engage academic questions. The parties must present concrete facts that demonstrate the problems *vis-á-vis* a legal provision. The parties represented must show the contradicting considerations as a result of the alleged facts. Absent such actual case anchored on concrete adverseness, no factual basis exists for giving a petition due course.[3]

Nonetheless, there are instances when actual facts resulting from an assailed law do not need to be present to initiate the exercise of judicial review. "A clear and convincing showing of a contrariety of legal rights may suffice."[4] In *Universal Robina Corporation v. Department of Trade and Industry*:[5]

> An actual case or controversy exists when there are actual facts to enable courts to intelligently adjudicate the issues.
>
> There is also an actual case and controversy when there is a clear and convincing showing of a contrariety of legal rights. In *Belgica v. Ochoa*, this Court explained:

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[3] *Confederation for Unity, Recognition and Advancement of Government Employees v. Abad*, G.R. No. 200418, November 10, 2020 [Per J. Leonen, *En Banc*].

[4] *Universal Robina Corporation v. Department of Trade and Industry*, G.R. No. 203353, February 14, 2023 [Per J. Leonen, *En Banc*].

[5] G.R. No. 203353, February 14, 2023 [Per J. Leonen, *En Banc*].

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> Jurisprudence provides that an actual case or controversy is one which "involves a conflict of legal rights, an assertion of opposite legal claims, susceptible of judicial resolution as distinguished from a hypothetical or abstract difference or dispute." In other words, "[t]here must be a contrariety of legal rights that can be interpreted and enforced on the basis of existing law and jurisprudence." (Citations omitted)

In *Calleja v. Executive Secretary*, this Court explained that a contrariety of legal rights is one:

> . . . that can be interpreted and enforced on the basis of existing law and jurisprudence. Corollary thereto, the case must not be moot or academic, or based on extra-legal or other similar considerations not cognizable by a court of justice. All these are in line with the well-settled rule that this Court does not issue advisory opinions, nor does it resolve mere academic questions, abstract quandaries, hypothetical or feigned problems, or mental exercises, no matter how challenging or interesting they may be. Instead, case law requires that there is ample showing of *prima facie* grave abuse of discretion in the assailed governmental act in the context of actual, not merely theoretical, facts. (Citations omitted)

In *Belgica*, this Court also explained that the actual-case requirement is closely related to the ripeness requirement:

> Related to the requirement of an actual case or controversy is the requirement of "ripeness," meaning that the questions raised for constitutional scrutiny are already ripe for adjudication. "A question is ripe for adjudication when the act being challenged has had a direct adverse effect on the individual challenging it. It is a prerequisite that something had then been accomplished or performed by either branch before a court may come into the picture, and the petitioner must allege the existence of an immediate or threatened injury to itself as a result of the challenged action." "Withal, courts will decline to pass upon constitutional issues through advisory opinions, bereft as they are of authority to resolve hypothetical or moot questions." (Citations omitted)

Thus, in *Belgica*, where the parties asserted opposing legal claims regarding the constitutionality of the pork barrel system, this Court deemed itself satisfied that a contrariety of legal rights existed.

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This was reiterated in *Roy III v. Herbosa*:

> Regarding the first requisite, the Court in *Belgica v. Ochoa* stressed anew that an actual case or controversy is one which involves a conflict of legal rights, an assertion of opposite legal claims, susceptible of judicial resolution as distinguished from a hypothetical or abstract difference or dispute since the courts will decline to pass upon constitutional issues through advisory opinions, bereft as they are of authority to resolve hypothetical or moot questions. Related to the requirement of an actual case or controversy is the requirement of "ripeness," and a question is ripe for adjudication when the act being challenged has a direct adverse effect on the individual challenging it. (Citation omitted)

Thus, for the exercise of judicial review, actual facts resulting from the assailed law, as applied, may not be absolutely necessary in all cases. A clear and convincing showing of a contrariety of legal rights may suffice.

In *Executive Secretary v. Pilipinas Shell Petroleum Corporation*,[6] this Court further explained "contrariety of legal rights" under the actual case or controversy requisite:

> There is also an actual case or controversy when there is clear and convincing proof of contrariety of legal rights. *Calleja v. Executive Secretary* explained what a contrariety of legal rights is:
>
> > *An actual case or controversy exists when there is a conflict of legal rights, an assertion of opposite legal claims, susceptible of judicial resolution as distinguished from a hypothetical or abstract difference or dispute. The issues presented must be definite and concrete, touching on the legal relations of parties having adverse interests. There must be a contrariety of legal rights that can be interpreted and enforced on the basis of existing law and jurisprudence*. Corollary thereto, the case must not be moot or academic, or based on extra-legal or other similar considerations not cognizable by a court of justice. All these are in line with the well-settled rule that this Court does not issue advisory opinions, nor does it resolve mere academic questions, abstract quandaries, hypothetical or feigned problems, or mental exercises, no matter how challenging or interesting they may be. Instead, case law

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[6] G.R. No. 209216, February 21, 2023 [Per J. Leonen, *En Banc*].

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> requires that there is ample showing of *prima facie* grave abuse of discretion in the assailed governmental act in the context of actual, not merely theoretical, facts. (Emphasis supplied, citations omitted)

Jurisprudence has established that a mere contrariety of legal rights satisfies the requirement of justiciability. In *Tañada v. Angara*:

> In seeking to nullify an act of the Philippine Senate on the ground that it contravenes the Constitution, the petition no doubt raises a justiciable controversy. Where an action of the legislative branch is seriously alleged to have infringed the Constitution, it becomes not only the right but in fact the duty of the judiciary to settle the dispute. "The question thus posed is judicial rather than political. The duty (to adjudicate) remains to assure that the supremacy of the Constitution is upheld." Once a "controversy as to the application or interpretation of a constitutional provision is raised before this Court (as in the instant case), it becomes a legal issue which the Court is bound by constitutional mandate to decide." (Citation omitted)

In *Belgica v. Ochoa*, this Court determined that a real and justiciable controversy existed due to the conflicting legal rights between the parties' antagonistic positions on the constitutionality of the pork barrel system:

> Jurisprudence provides that an actual case or controversy is one which "involves a conflict of legal rights, an assertion of opposite legal claims, susceptible of judicial resolution as distinguished from a hypothetical or abstract difference or dispute." In other words, "[t]here must be a contrariety of legal rights that can be interpreted and enforced on the basis of existing law and jurisprudence." Related to the requirement of an actual case or controversy is the requirement of "ripeness," meaning that the questions raised for constitutional scrutiny are already ripe for adjudication. "A question is ripe for adjudication when the act being challenged has had a direct adverse effect on the individual challenging it. It is a prerequisite that something had then been accomplished or performed by either branch before a court may come into the picture, and the petitioner must allege the existence of an immediate or threatened injury to itself as a result of the challenged action." "Withal, courts will decline to pass upon constitutional issues through advisory opinions, bereft as they are of authority to resolve hypothetical or moot questions." (Citations omitted)

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In *Samahan ng mga Progresibong Kabataan v. Quezon City*, given the parties' conflicting claims on the violation of constitutional rights by the curfew ordinances being assailed, this Court held that a justiciable controversy exists. Petitioners presented a *prima facie* case of grave abuse of discretion, compelling this Court to exercise its power of judicial review:

> "Basic in the exercise of judicial power—whether under the traditional or in the expanded setting—is the presence of an actual case or controversy." "[A]n actual case or controversy is one which 'involves a conflict of legal rights, an assertion of opposite legal claims, susceptible of judicial resolution as distinguished from a hypothetical or abstract difference or dispute.' In other words, 'there must be a contrariety of legal rights that can be interpreted and enforced on the basis of existing law and jurisprudence.'" According to recent jurisprudence, in the Court's exercise of its expanded jurisdiction under the 1987 Constitution, this requirement is simplified "by merely requiring a *prima facie* showing of grave abuse of discretion in the assailed governmental act."
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> "Corollary to the requirement of an actual case or controversy is the requirement of ripeness. A question is ripe for adjudication when the act being challenged has had a direct adverse effect on the individual challenging it. For a case to be considered ripe for adjudication, it is a prerequisite that something has then been accomplished or performed by either branch before a court may come into the picture, and the petitioner must allege the existence of an immediate or threatened injury to himself as a result of the challenged action. He must show that he has sustained or is immediately in danger of sustaining some direct injury as a result of the act complained of." (Citations omitted)

Thus, in asserting a contrariety of legal rights, merely alleging an incongruence of rights between the parties is not enough. The party availing of the remedy must demonstrate that the law is so contrary to their rights that there is no interpretation other than that there is a breach of rights. No demonstrable contrariety of legal rights exists when there are possible ways to interpret the provision of a statute, regulation, or ordinance that will save its constitutionality. In other words, the party must show that the only possible way to interpret the provision is one that is unconstitutional. Moreover, the party must show that the case cannot

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be legally settled until the constitutional issue is resolved, that is, that it is the very *lis mota* of the case, and therefore, ripe for adjudication.[7]

This Court is not duty bound to answer all of life's questions.[8] To emphasize, parties must not only be proffering positions that are in opposition to each other but must have "actual and an antagonistic assertion of rights by one party against the other in a controversy wherein judicial intervention is unavoidable."[9]

In this instance, petitioners have failed to put forward a compelling argument that respondent PAGCOR's act of issuing the assailed Rules and Regulations was so offensive to the Constitution that its mere enactment rendered the issue ripe for adjudication. The *ponencia* outlines the following arguments raised by petitioners:

> On the merits, Evangelista argued that the RR-POGO is unconstitutional since the PAGCOR has no authority to operate and regulate online gambling under its charter. He maintained that P.D. No. 1869, issued on July 11, 1983, could not have envisioned online gaming and/or gambling since the internet was not yet existing at the time. Nevertheless, he pointed out that R.A. No. 9487, which amended Section 10 of P.D. No. 1869, and which was approved on June 20, 2007 when the internet was already widely used, still did not mention online gambling as within the authority and jurisdiction of the PAGCOR.
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> Evangelista further argued that Section 10 of P.D. No. 1869, as amended, excluded from the power and authority of PAGCOR those games of chance, games of cards, or games of numbers already licensed, regulated by, in, and under special laws, such as R.A. No. 7922. In this regard, Section 6 of R.A. No. 7922, Section 13 of R.A. No. 7227, and R.A. No. 7916 empowered the respective economic zones they created to directly or indirectly operate gambling and casinos within its jurisdiction. Thus, assuming that the PAGCOR may issue license to any entity who wants to operate an offshore gaming activity, it cannot do so in the areas covered by the economic zones.

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[7] *Id.*

[8] *Falcis v. Civil Registrar General*, 861 Phil. 388, 438 [Per J. Leonen, *En Banc*].

[9] *Bacolod-Murcia Planters' Association, Inc. v. Bacolod-Murcia Milling Company, Inc.*, 140 Phil. 457, 459 (1969) [Per J. Fernando, First Division].

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On the other hand, Cruz added that the PAGCOR is not authorized under its legislative franchise to operate and regulate gambling on the internet catering to foreign-based players and gamblers that are physically outside the Philippines. He argued that for the PAGCOR to have authority and jurisdiction, three elements are required: (1) the game of chance must be done on either land or sea; (2) it must be within the territorial jurisdiction of the Philippines; and (3) it must not be regulated by other regulatory bodies or governed by special laws.

Finally, the Anti-Trapo Movement of the Philippines, Inc. argued that the PAGCOR is not allowed under its charter to relinquish or share its franchise, much less grant a veritable franchise to another entity. Moreover, there is no other authority under existing laws that is explicitly granted the mandate to issue online gaming licenses and regulate the same, other than the Aurora Pacific Economic Zone and Freeport Authority under Section 12 of R.A. No. 9490 as amended by Republic Act No. 10083.

Petitioners Evangelista, Cruz and Anti-Trapo Movement of the Philippines, Inc. (Evangelista et al.) prayed that the RR-POGO be declared null and void for being unconstitutional.[10]

These are not arguments that the enactment of the Rules and Regulations were in violation of some Constitutional provision. These arguments, as synthesized in the *ponencia*, all pertain to respondent PAGCOR allegedly regulating an activity or business that it is not permitted to by law. Further, the allegation that respondent PAGCOR exceeded its statutory authority in regulating games of chance outside the territorial jurisdiction of the Philippines is also not an argument founded on a Constitutional wrong. Again, it is, at most, an allegation that respondent PAGCOR has issued regulations when law does not permit it to do so. The assertion that a governmental body or instrumentality has exceeded the bounds of its charter, or has acted with grave abuse of discretion, does not by itself violate the Constitution, absent the identification of a specific Constitutional right violated, or Constitutionally ordained power usurped.

Moreover, while I agree with the *ponencia* that petitioners have no legal standing to question the Rules and Regulations, I

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[10] Draft Decision, pp. 7–8.

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am unconvinced that there is transcendental importance in their petitions that overrides this requirement of judicial review.

In *Falcis v. Civil Registrar General*:[11]

Legal standing is a party's "personal and substantial interest in the case such that he has sustained, or will sustain, direct injury as a result of its enforcement." Interest in the case "means a material interest, an interest in issue affected by the decree, as distinguished from mere interest in the question involved, or a mere incidental interest."

Much like the requirement of an actual case or controversy, legal standing ensures that a party is seeking a concrete outcome or relief that may be granted by courts:

> Legal standing or *locus standi* is the "right of appearance in a court of justice on a given question." To possess legal standing, parties must show "a personal and substantial interest in the case such that [they have] sustained or will sustain direct injury as a result of the governmental act that is being challenged." The requirement of direct injury guarantees that the party who brings suit has such personal stake in the outcome of the controversy and, in effect, assures "that concrete adverseness which sharpens the presentation of issues upon which the court depends for illumination of difficult constitutional questions."

The requirements of legal standing and the recently discussed actual case and controversy are both "built on the principle of separation of powers, sparing as it does unnecessary interference or invalidation by the judicial branch of the actions rendered by its co-equal branches of government." In addition, economic reasons justify the rule. Thus:

> A lesser but not insignificant reason for screening the standing of persons who desire to litigate constitutional issues is economic in character. Given the sparseness of our resources, the capacity of courts to render efficient judicial service to our people is severely limited. For courts to indiscriminately open their doors to all types of suits and suitors is for them to unduly overburden their dockets, and ultimately render themselves ineffective dispensers of justice. To be sure, this is an evil that clearly confronts our judiciary today.
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> Standing in private suits requires that actions be prosecuted or defended in the name of the real party-in-interest, interest being

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[11] 861 Phil. 388 (2019) [Per J. Leonen, *En Banc*].

> "material interest or an interest in issue to be affected by the decree or judgment of the case[,] [not just] mere curiosity about the question involved." Whether a suit is public or private, the parties must have "a present substantial interest," not a "mere expectancy or a future, contingent, subordinate, or consequential interest." Those who bring the suit must possess their own right to the relief sought. (Citations omitted)

Even for exceptional suits filed by taxpayers, legislators, or concerned citizens, this Court has noted that the party must claim some kind of injury-in-fact. For concerned citizens, it is an allegation that the continuing enforcement of a law or any government act has denied the party some right or privilege to which they are entitled, or that the party will be subjected to some burden or penalty because of the law or act being complained of. For taxpayers, they must show "sufficient interest in preventing the illegal expenditure of money raised by taxation[.]" Legislators, meanwhile, must show that some government act infringes on the prerogatives of their office. Third-party suits must likewise be brought by litigants who have "sufficiently concrete interest" in the outcome of the dispute.[12]

Standing is not merely a "procedural technicality."[13] The requirement of parties to have standing to bring a case before this Court is part and parcel of the conservation of this Court's time and effort in pursuit of efficient and effective administration of justice. This Court has likewise acknowledged that the threat of direct injury—the concrete consequence of a petitioner's personal and substantial interest in the issues presented—hones the arguments being raised and guides this Court in resolving difficult and complex legal questions.

This case stands in stark contrast to *Saint Wealth Ltd. v. Bureau of Internal Revenue*,[14] in which offshore-based POGO licensees questioned the imposition of 5% franchise tax for income arising from their gaming operations. There, the direct injury to the petitioners that could be brought about by the questioned tax imposition was clear, and the petitioners would directly benefit

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[12] *Id.* at 531–533.

[13] Draft Decision, p. 17.

[14] G.R. No. 252965, December 07, 2021 [Per J. Gaerlan, *En Banc*].

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from a favorable ruling, or alternatively, must shoulder a burden should this Court rule against them. This ensured that the decision made in that case was founded upon allegations, claims, or arguments of parties who understood the stakes of their litigation, and thus reflect the real and material conditions that guided this Court's adjudication.

I agree that the jurisprudence of this Court demonstrates this Court's painstaking and continuous delimitation of respondent PAGCOR's regulatory powers. Yet I am not persuaded that the petitioners here have presented claims and allegations of such a magnitude that their immediate resolution at this point overrides the stringent standards of this Court's exercise of the power of judicial review. Even a claim of transcendental importance must be founded on proper allegations, and not just mere invocation.[15]

ACCORDINGLY, I vote to **DISMISS** the consolidated Petitions in G.R. No. 228234, G.R. No. 228315, and G.R. No. 230080.

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[15] *Anti-Trapo Movement of the Philippines v. Land Transportation Office*, G.R. No. 231540, June 27, 2022 [Per J. Leonen, Second Division].