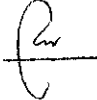


FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session



Senate
Office of the Secretary

'11 FEB -7 A9 :06

SENATE
P.S. RESOLUTION NO. 369 RECEIVED BY: 

Introduced by Senator Teofisto "TG" Guingona III

RESOLUTION

DIRECTING THE SENATE COMMITTEE ON ACCOUNTABILITY OF PUBLIC OFFICERS AND INVESTIGATIONS (BLUE RIBBON) TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, INTO THE ALLEGED OMISSION OR INACTION (*NON-FEASANCE*) BY THE BUREAU OF CUSTOMS (BOC) INTO THE REPORTED RAMPANT SMUGGLING IN THE PORT OF DAVAO CITY, ITS ABUSE OF AUTHORITY IN THE RESCISSION OF THE MEMORANDUM OF AGREEMENT RESULTING IN INJURY TO A PRIVATE ENTITY, AND OTHER REPORTS OF *MALFEASANCE* AND *MISFEASANCE* DETRIMENTAL TO PUBLIC INTEREST

WHEREAS, in 2005, Mr. Rodolfo Reta was granted by the Bureau of Customs the operation of a container yard-outside customs zone (CY-OCZ) operating under the name of "Acquarius Container Yard" located at Sasa, Davao City;

WHEREAS, in January 2009, Mr. Reta entered into a Memorandum of Agreement (MOA) with the Bureau of Customs represented by then Commissioner Napoleon Morales, for the utilization of the Acquarius Container Yard as one of the Designated Examination Areas (DEA) of BOC, for a period of twenty five (25) years;

WHEREAS, the DEA was primarily established for the following purposes: to prevent the entry of smuggled goods in the customs territory; to ensure proper assessment and payment of duties and taxes; and, to prevent the commingling of local and imported containers;

WHEREAS, on February 26, 2010, there was an incident of smuggling/misdeclaration of sacks of rice found in 40 containers which were declared as construction filling materials;

WHEREAS, the office of Mr. Reta reported the incident directly to OIC District Collector Atty. Anju Nereo Castigador; but instead of acting on the report, Atty. Castigador sent a letter to Mr. Reta ordering the closure of the DEA facility;

WHEREAS, on February 28, 2010, Atty. Castigador brought out from the DEA premises the smuggled 40 containers of rice and brought them back at the Sasa Wharf;

WHEREAS, the 25-year Memorandum of Agreement (MOA) was subsequently rescinded by then Commissioner Morales;

WHEREAS, the pull-out of the smuggled rice from the DEA facility and the subsequent rescission of the MOA caused undue injury to Mr. Reta, as well as injury to the government for unpaid proper taxes, and duties;

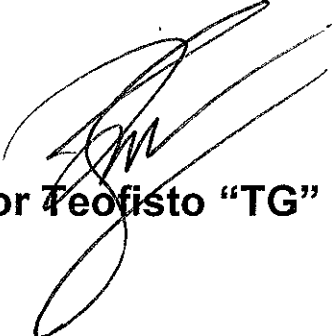
WHEREAS, there is a total remiss of obligation and duty on the part of BOC to look into the alleged smuggling in the Port of Davao City, which is detrimental to public interest;

WHEREAS, despite due notice and filing of reports on the alleged irregularities in the BOC as well as on the alleged smuggling activities, BOC has refused to act within a reasonable time and without sufficient justification on the matter pending before it which is violative of Republic Act No. 3019, otherwise known as The Anti-Graft and Corrupt Practices Act as amended;

WHEREAS, BOC has not performed and discharged its duties with the highest degree of excellence, professionalism, intelligence and skill as required under Section 4 (b) of Republic Act No. 6713, otherwise known as the Code of Conduct and Ethical Standards for Public Officials and Employees;

NOW, THEREFORE, BE IT RESOLVED, as it is hereby resolved by the Senate of the Philippines to direct the Senate Committee on Accountability of Public Officers and Investigations (Blue Ribbon) to conduct an investigation, in aid of legislation, into the alleged omission or inaction (*non-feasance*) of the Bureau of Customs (BOC) into the reported rampant smuggling in the Port of Davao City, its abuse of authority in the rescission of the Memorandum of Agreement (MOA) resulting in injury to a private entity, and other reports of malfeasance and misfeasance detrimental to public interest.

ADOPTED,



Senator Teofisto "TG" Guingona III