

**NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)**



23 MAR -6 P5:53

SENATE

S.B. No. 1963

RECEIVED BY

Introduced by **Senator Cynthia A. Villar**

**AN ACT ESTABLISHING ANTI-AGRICULTURAL SMUGGLING COURT,
GRANTING THEM EXCLUSIVE ORIGINAL JURISDICTION OVER CASES
INVOLVING AGRICULTURAL PRODUCTS, APPROPRIATING FUNDS
THEREFOR AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

In 2016, Republic Act No. 10845, otherwise known as the Anti-Agricultural Smuggling Act of 2016, was enacted for the purpose of protecting local agricultural industry and farmers from agricultural smuggling.

However, last year, the market price of onions started to increase uncontrollably and reached up to P 750 per kilo during the Christmas Season. This prompted the Committee on Agriculture, Food and Agrarian Reform to conduct a hearing in aid of legislation on January 16, 2022.

The committee found out that cartels over import onion thereby fixing the price of local onions. The hoarders, in collusion, store these supplies in the cold storage to create a shortage so that the price would go up. A clear scenario of price manipulation.

Due to price manipulation, farmers suffered economic loss. Now, farmers are afraid to produce because they might not be able to get back their investments.

With all the issues on smuggling, hoarding, profiteering and cartel of agricultural products, it is baffling that no one is prosecuted.

According to Food and Fertilizer Center for the Asian and Pacific Region (FFTC-AP), from 1986-2009, at least \$1.96 billion worth of rice had been smuggled in the Philippines. Next top products to be smuggled were refined sugar worth \$ 448.2

million, onion (\$ 259.6 million), pork (\$117.5 million), chicken (\$ 27.8 million), ginger (\$ 7.8 million), and carrots and turnips (\$ 6.5 million).¹

The funds that the government should have collected from these duties and taxes could have been used to fund agriculture programs for farmers to improve their productivity and income, public services and infrastructure projects.

To ensure that the economic sabotage cases under this law will be treated with the most preferential attention, Anti-Agricultural Smuggling Court will be created.

The main purpose of the Anti-Agricultural Smuggling Court is to try cases involving smuggling, hoarding, profiteering and cartel of agricultural products and to ensure that individuals and organizations involved in these activities are held accountable for their actions. This includes imposing penalties, fines, and other legal sanctions for those found guilty. As per the agricultural industry, the court will also help prevent the further spread of smuggled agricultural products and protect the interests of local farmers.

The court will operate under the supervision of the Supreme Court. The proceedings of the court are subject to the rules and regulations rules that will be promulgated by the Supreme Court and are held in accordance with due process and the principles of fairness and justice.

Overall, the Anti-Agricultural Smuggling Court and other Courts play an important role in addressing the problem of smuggling in the agricultural sector and help to promote the sustainable development of the industry by ensuring that those who engage in illegal activities are held accountable for their actions.

For the foregoing reasons, the passage of this bill is earnestly recommended.


SEN. CYNTHIA A. VILLAR

¹ <https://newsinfo.inquirer.net/1497381/agriculture-smuggling-an-unending-torture-for-ph-farmers>

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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 Section 1. *Title*- This Act shall be known as the "Anti-Agricultural Smuggling
2 Courts Act of 2023"

3 Sec. 2. *Declaration of Policy* – It is the policy of the state to protect farmers,
4 consumers and the general public from illicit trade of agricultural products. It is also
5 the policy of the state to ensure the efforts of farmers and agricultural industry to
6 succeed and thrive, and to guarantee the health and safety of the consumers.

7 To uphold this duty, the State shall prosecute economic saboteurs, illicit traders,
8 illegal importers, and smugglers through a court that will provide fair, impartial and
9 speedy disposition of economic sabotage cases.

10 Sec. 3. *Establishment of Anti-Agricultural Smuggling Courts*. - There is hereby
11 created an Anti-Agricultural Smuggling Court that will try cases pertaining to
12 smuggling, hoarding, profiteering and cartel of agricultural products which shall be of

1 the same level of the Sandiganbayan and the Court of Appeal, possessing all the
2 inherent powers of a Court of Justice, and shall consist of (4) Divisions composed of
3 three (3) Justices each for National Capital Region, Bulacan, Cebu, and Davao.

4 Sec. 4. *Jurisdiction* – The Anti-Agricultural Smuggling Court shall have exclusive
5 original jurisdiction on all cases involving:

6 (a) All violations of Republic Act No. 10845, otherwise known as Anti-
7 Agricultural Smuggling Act of 2016 including those made by Public Officer whether he
8 be the principal accused, an accomplice or merely an accessory.

9 (b) The Anti-Agricultural Smuggling Court shall have the primary jurisdiction
10 over search and seizure of any object or person to be done by appropriate law
11 enforcement agencies with respect to smuggling, hoarding, profiteering and cartel of
12 agricultural products.

13 (c) All cases involving smuggling, hoarding, profiteering and cartel of
14 agricultural products.

15 Sec. 5. *Qualification and Compensation of Justices.* –

16 (1) The Justices of the Anti-Agricultural Smuggling Court shall possess the same
17 qualifications, rank, category, salary, emoluments and other privileges, be subject to
18 the same inhibitions and disqualifications, and enjoy the same retirements and other
19 benefits as those provided for under existing laws for Associates Justices of
20 Sandiganbayan and Court of Appeals.

21 (2) The Justices shall be appointed by the President from a list prepared by the
22 Judicial and Bar Council.

23 Sec. 6. *Tenure.* - Anti-Agricultural Smuggling Court Justices shall be appointed
24 to serve during good behavior until they reach the age of seventy (70) years, or
25 become incapacitated to discharge the duties of their office, unless sooner removed
26 for the same causes and in the same manner provided by law for Associates Justices
27 of Sandiganbayan and Court of Appeals.

28 Sec. 8. *Appeals* - Decisions and orders of the Anti-Agricultural Smuggling Court
29 shall be appealed to the Supreme Court.

1 Sec. 9. *Special procedure.* – The Anti-Agricultural Smuggling Courts that will try
2 cases pertaining to smuggling, hoarding, profiteering and cartel of agricultural
3 products shall be governed by such special rules of procedure as the Supreme Court
4 may promulgate.

5 Sec. 10. *Administrative Personnel* – Upon the recommendation of the Anti-
6 Agricultural Smuggling Court, the Supreme Court may designate, from among the
7 officers and employees under it, or appoint the personnel necessary for the Anti-
8 Agricultural Smuggling Court; Provided, however, that those merely designated shall
9 not receive additional compensation, except per diems, traveling and necessary
10 expenses in accordance with existing laws and rules.

11 The Supreme Court shall appoint one (1) Clerk of Court for each Anti-
12 Agricultural Smuggling Court. The Clerks of Court so appointed shall have the same
13 qualifications, rank, category, salary, emoluments and other privileges, be subject to
14 the same inhibitions and disqualifications, and enjoy the same retirements and other
15 benefits as those provided for under existing laws for Clerk of Court of the
16 Sandiganbayan or Court of Appeals.

17 Sec.11 *Appropriations*- The amount necessary to carry out the provisions of this
18 Act shall be included in the General Appropriations Act of the year following in its
19 enactment into law and thereafter.

20 Sec.12 *Implementing Rules and Regulations.* - The Supreme Court shall
21 formulate the necessary rules and regulations for the effective implementation of this
22 Act.

23 Sec. 13. *Transitory Provisions.* -All cases involving violations of Republic Act No.
24 10845 pending the establishment of the Anti-Agricultural shall stay at the court where
25 it is tried.

26 Sec. 14. *Separability Clause*- In case any provision of this Act is declared
27 unconstitutional, the other provisions shall remain in effect.

1 Sec. 15. *Repealing Clause.* - All other laws, decrees, executive orders, rules or
2 regulations inconsistent herewith are hereby repealed, amended or modified
3 accordingly.

4 Sec. 16 *Effectivity.* - This Act shall take effect after fifteen (15) days following
5 its publication in the Official Gazette or in two (2) newspaper of general circulation.

6 Approved.