

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



23 JUL 12 P1 :44

SENATE
S.B. No. 2298

RECEIVED BY: _____

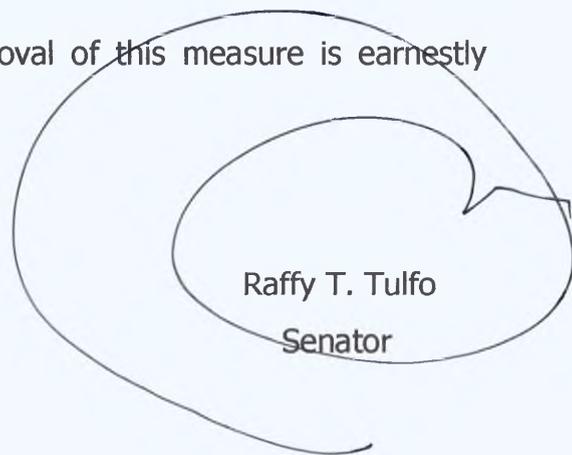
Introduced by: Senator Raffy T. Tulfo

AN ACT
AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 10845,
OTHERWISE KNOWN AS THE ANTI-AGRICULTURAL SMUGGLING ACT OF
2016, AND FOR OTHER PURPOSES

Explanatory Note

Smuggling of agricultural products persists in the country. Since smuggled goods are cheaper, locally produced farm products cannot compete in the market. It is the policy of the State to promote agricultural productivity, protect farmers from unscrupulous traders and importers, and ensure the availability and stability of food supply. The intent of this bill is to promote affordability of food and agricultural commodities for Filipino consumers by preventing large-scale abuses of market power, hoarding, and other practices that manipulate prices and restrict supply. Furthermore, the proposed measure seeks to penalize government officials or employees, who in the performance of their duty, knowingly allows the agricultural product to be smuggled. It is imperative to strengthen the legal framework in combating large-scale agricultural smuggling, hoarding, profiteering, cartels, and other market abuses, thereby protecting the interests of farmers and consumers, promoting food security, and ensuring the stability of the agriculture sector in the Philippines.

In view of the foregoing, immediate approval of this measure is earnestly sought.



Raffy T. Tulfo
Senator

23 JUL 12 P1:44

SENATE
S.B. No. 2298

RECEIVED BY: _____



Introduced by: Senator Raffy T. Tulfo

AN ACT
AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 10845,
OTHERWISE KNOWN AS THE ANTI-AGRICULTURAL SMUGGLING ACT OF
2016, AND FOR OTHER PURPOSES

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

1 Section 1. The title of Republic Act No. 10845 is hereby amended to read as:

2
3 **AN ACT DECLARING LARGE-SCALE AGRICULTURAL SMUGGLING,**
4 **HOARDING, PROFITEERING, CARTEL, AND OTHER ACTS OF MARKET**
5 **ABUSES AS ECONOMIC SABOTAGE, PRESCRIBING PENALTIES**
6 **THEREFORE AND FOR OTHER PURPOSES**

7 Sec 2. Section 1 of Republic Act no. 10845 is hereby amended to read as: This
8 Act shall be known as the "Anti-Agricultural [Smuggling] **ECONOMIC SABOTAGE** Act
9 of 2023.

10 Sec. 3. Section 2 of Republic Act No. 10845 is hereby amended to read as:

11 Section 2. Declaration of Policy. – It is the policy of the State to promote
12 productivity of the agriculture sector and to protect farmers from unscrupulous
13 traders and importers, who by their illegal importation of agricultural products,
14 especially rice, significantly affects the production, availability of supply and
15 stability of process and food security of the State.

16 **FURTHERMORE, IT IS ALSO THE POLICY OF THE STATE TO PROMOTE**
17 **THE AFFORDABILITY OF FOOD AND OTHER AGRICULTURAL**
18 **COMMODITIES FOR FILIPINO CONSUMERS BY PREVENTING LARGE-**

1 **SCALE ABUSE OF MARKET POWER, HOARDING AND OTHER**
2 **PRACTICES TO MANIPULATE PRICES AND UNDULY RESTRAIN**
3 **SUPPLY.**

4 The State shall impose higher sanctions for large-scale smuggling of agricultural
5 products AND OTHER ABUSES OF MARKET POWER as self-preservation
6 measure to shield itself from the manipulative scheme of economic saboteurs,
7 and to protect the livelihood of our farmers and to ensure their economic well-
8 being AND THAT OF CONSUMERS.

9 Sec. 4. A new Section 3A shall be inserted after Section 3 of Republic Act. No.
10 10845 to read as:

11 **SEC. 3-A. LARGE-SCALE AGRICULTURAL HOARDING, PROFITEERING,**
12 **AND CARTEL AS ECONOMIC SABOTAGE. - HOARDING,**
13 **PROFITEERING, OR CARTEL, AS DEFINED IN SECTION 5 OF REPUBLIC**
14 **ACT NO. 7518, INsofar AS THEY INVOLVE SUGAR, CORN, PORK,**
15 **POULTRY, GARLIC, ONION, CARROTS, FISH AND CRUCIFEROUS**
16 **VEGETABLES, IN ITS RAW STATE, OR WHICH HAVE UNDERGONE THE**
17 **SIMPLE PROCESSES OF PREPARATION OR PRESERVATION FOR THE**
18 **MARKET, WITH A MINIMUM AMOUNT OF ONE MILLION PESOS**
19 **(P1,000,000.00), OR RICE, WITH A MINIMUM AMOUNT OF TEN**
20 **MILLION (P10,000,000.00), AS VALUED BY THE DEPARTMENT OF**
21 **AGRICULTURE FOR DOMESTICALLY PRODUCED COMMODITIES,**
22 **SHALL CONSTITUTE ECONOMIC SABOTAGE.**

23 Sec.5. A new Section 5 shall be inserted after Section 3 of Republic Act. No.
24 10845 to read as:

25 **SEC. 5. THERE IS HEREBY CREATED AN INTER-AGENCY COUNCIL ON**
26 **ECONOMIC INTELLIGENCE, HEREINAFTER REFERRED TO AS**
27 **COUNCIL, WHICH IS MANDATED TO ENFORCE THE PROVISIONS OF**
28 **THIS ACT AND TO PRINCIPALLY COMBAT SMUGGLING, HOARDING,**
29 **PROFITEERING, AND CARTEL: PROVIDED, THAT, THE TASK FORCE**
30 **SHALL BE CO-CHAIRER BY THE DEPARTMENT OF AGRICULTURE (DA),**
31 **DEPARTMENT OF TRADE AND INDUSTRY (DTI) AND THE BUREAU OF**
32 **CUSTOMS (BOC), AND SHALL INCLUDE AS MEMBERS THE**

1 DEPARTMENT OF JUSTICE (DOJ), NATIONAL BUREAU OF
2 INVESTIGATION (NBI), DEPARTMENT OF INTERIOR AND LOCAL
3 GOVERNMENT (DILG), PHILIPPINE NATIONAL POLICE (PNP),
4 PHILIPPINE COMPETITION COMMISSION (PCC), NATIONAL
5 SECURITY COUNCIL (NSC), AND NATIONAL INTELLIGENCE
6 COORDINATING AGENCY (NICA).

7 Sec. 6. Section 4 of Republic Act No. 10845 is hereby amended to read as
8 follows:

9 Section 4. Penalties. –

10 (a) The penalty of life imprisonment and a fine of twice the fair value of
11 smuggled agricultural product **OR THE PRODUCT SUBJECT TO HOARDING,**
12 **PROFITEERING, OR CARTEL** and the aggregate amount of the taxes, duties
13 and other charges avoided shall be imposed on any person who commits any
14 of the acts enumerated under Section **S 3 AND 3-A** of this Act.

15
16 (b) The penalty of imprisonment of not less than seventeen (17) years but not
17 more than twenty (20) years, and a fine of twice the fair value of the smuggled,
18 **PROFITEERED, HOARDED, OR CARTELLED** agricultural product and the
19 aggregate amount of the taxes, duties and other charges avoided shall be
20 imposed on the officers of dummy corporations, nongovernment organizations,
21 associations, cooperatives, or single proprietorships who knowingly sell, lend,
22 lease, assign, consent or allow the unauthorized use of their import permits for
23 purposes of smuggling, **PROFITEERING, HOARDING, OR CARTELLING.**

24
25 (c) The penalty of imprisonment of not less than fourteen (14) years but not
26 more than seventeen (17) years, and a fine of twice the fair value of the
27 smuggled, **PROFITEERED, HOARDED, OR CARTELLED** agricultural product
28 and the aggregate amount of the taxes, duties and other charges avoided shall
29 be imposed on the following:

30 XXX

1 (3) The registered owner and lessee of a warehouse, or any property,
2 who knowingly stores the smuggled, **PROFITEERED, HOARDED, OR**
3 **CARTELLED** agricultural product subject to economic sabotage; or
4

5 (4) The registered owner, lessee, president or chief executive officer of
6 the private port, fish port, fish landing sites, resorts, and airports who
7 knowingly allows the agricultural product to be smuggled into the
8 country, **OR TO BE HOARDED WITHIN THEIR FACILITIES.**

9
10 **(5) A GOVERNMENT OFFICIAL OR EMPLOYEE WHO, IN THE**
11 **PERFORMANCE OF THEIR DUTY, KNOWINGLY ALLOWS THE**
12 **AGRICULTURAL PRODUCT TO BE SMUGGLED AS DEFINED**
13 **UNDER SECTION 3 AND 3-A OF THIS ACT.**
14

15 (d) The penalty of imprisonment of not less than twelve (12) years but not
16 more than fourteen (14) years and a fine equal to the fair value of the smuggled
17 agricultural product subject to economic sabotage and the aggregate amount
18 of the taxes, duties and other charges avoided shall be imposed on the
19 following:

20 XXX

21 Sec.7. Section 7 of Republic Act No. 10845 is hereby amended to read
22 as:

23 Section. 7. Prescription of Crimes. - The crimeS punishable under this Act shall
24 prescribe in twenty (20) years.

25 Sec 8. Implementing Rules and Regulations. -The DA, DTI AND BOC, in
26 consultation with concerned agencies, shall promulgate the implementing rules and
27 regulations of this Act within thirty (30) days upon its effectivity.

28 Sec 9. Separability Clause. -If any portion of this Act is declared
29 unconstitutional or invalid, the portions or provisions which are not affected shall
30 continue to be in full force and effect.

31 Sec. 10. Repealing Clause. - All laws, decrees, executive issuances, rules and
32 regulations inconsistent with this Act are hereby repealed and/or modified accordingly.

1 Sec. 11. Effectivity Clause. –This Act shall take effect after fifteen (15) days
2 following its publication in the Official Gazette or in two (2) newspapers of general
3 circulation.

 Approved,