

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

23 AUG 16 P3 :52

**SENATE**  
**S. No. 2413**

RECEIVED BY



---

INTRODUCED BY SENATOR RONALD "BATO" DELA ROSA

---

**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

Agricultural smuggling poses a significant threat to the economic stability of the Philippines, making a strong case for its classification as economic sabotage. This is precisely why the passage of the Anti-Agricultural Smuggling Act of 2016 was a step in the right direction. After all, behind the seemingly abstract concept of economic stability are real farmers with real livelihoods, as well as real Filipinos with real need for food and sustenance. Criminalizing and ultimately preventing agricultural smuggling is therefore a piece of legislation whose impact ought to be felt on all levels of society.

And yet, we find that agricultural smuggling still persists in the country. Early this year, the Bureau of Customs (BOC) was able to seize illegally imported agricultural products worth PHP2 billion<sup>1</sup> at various Philippine ports. Although this may be noted as an achievement on the part of the BOC, it is still alarming that such attempts are being made all over the country. It appears that the legislative safeguards set in place

---

<sup>1</sup> <https://www.pna.gov.ph/articles/1192509>

by R.A. 10845 are not sufficient to deter smugglers, hence the need for this law to be amended.

First, under this amendment, smuggling will mean more than just smuggling. We take smuggling not just for what it is, but for what it has the potential to cause – economic sabotage. Second, we widen the scope of what is to be understood as agricultural economic sabotage, including hoarding, profiteering, cartel organization and/or participation, and other acts of market abuses. Third, this measure also proposes the establishment of an Inter-Agency Council on Economic Intelligence, for the purpose of more effectively combatting the evils of agricultural economic sabotage.


In the end, understanding agricultural smuggling as economic sabotage, and decisively acting in accordance to this understanding, are imperative for the Philippines to safeguard its economy and ensure sustainable development. By doing so, the government can send a clear message that it is committed to protecting its farmers, preserving food security, and maintaining a fair and transparent trade environment. This measure would not only deter potential smugglers but also reinforce the country's economic resilience and potential for growth.

  
**RONALD "BATO" DELA ROSA**

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

23 AUG 16 P3:52

SENATE  
S. No. 2413

RECEIVED BY: 

---

INTRODUCED BY SENATOR RONALD "BATO" DELA ROSA

---

**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 the 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 THEREFORE
- 6 AND FOR OTHER PURPOSES"
- 7
- 8 Sec. 2. Section 1 of Republic Act No. 10845 is hereby amended to read as:
- 9
- 10 "Section 1. *Short Title.* – This Act shall be known as the "Anti-Agricultural
- 11 [Smuggling] **ECONOMIC SABOTAGE** Act."
- 12
- 13 Sec. 3. Section 2 of Republic Act No. 10845 is hereby amended to read as:
- 14
- 15 "Sec. 2. Declaration of Policy. - It is the policy of the State to promote that
- 16 productivity of the agriculture sector and to protect farmers from
- 17 unscrupulous traders and importers, who by their illegal importation of
- 18 agricultural products, especially rice, significantly affects the production,
- 19 availability of supply and stability of process and food security of the State.

1  
2           **FURTHERMORE, IT IS ALSO THE POLICY OF THE STATE TO**  
3           **PROMOTE THE AFFORDABILITY OF FOOD AND OTHER**  
4           **AGRICULTURAL COMMODITIES FOR FILIPINO CONSUMERS BY**  
5           **PREVENTING LARGE-SCALE ABUSE OF MARKET POWER,**  
6           **HOARDING AND OTHER PRACTICES TO MANIPULATE PRICES AND**  
7           **UNDULY RESTRAIN SUPPLY.**  
8

9           The State shall impose higher sanctions for large-scale smuggling of  
10          agricultural products **AND OTHER ABUSES OF MARKET POWER** as self-  
11          preservation measure to shield itself from the manipulative scheme of  
12          economic saboteurs, and to protect the livelihood of our farmers and to  
13          ensure their economic well-being **AND THAT OF CONSUMERS."**  
14

15          Sec. 4. Section 3 is hereby amended to read as:  
16

17          "SEC. 3. *Large-Scale Agricultural Smuggling As Economic Sabotage.* – The  
18          crime of large-scale agricultural smuggling as economic sabotage, involving sugar,  
19          corn, pork, poultry, garlic, onion, carrots, fish, and cruciferous vegetables, in its raw  
20          state, or which have undergone the simple processes of preparation or preservation  
21          for the market with a minimum amount of One Million Pesos (P1,000,000.00), or rice,  
22          with a minimum amount of Ten Million Pesos (P10,000,000.00), **OR TOBACCO**  
23          **INCLUDING ITS FINISHED PRODUCTS, WITH A MINIMUM EXCISE TAX AND**  
24          **VALUE-ADDED TAX PAYABLE OF ONE MILLION PESOS (P1,000,000.00),** as  
25          valued by the Bureau of Customs (BOC), is committed through nay of the following  
26          acts:

- 27               (a) Xxx  
28               (b)  
29               (c)  
30               (d)  
31               (e)  
32               (f)

- 1 (g)  
2 (h) Acting as **A broker, AGENT, FACILITATOR, FORWARDER, OR**  
3 **WAREHOUSE LESSOR** of the violating importer; **AND**  
4 (i) **ALLOWING THE USE OF A PRIVATE PORT, FISH PORT, FISH**  
5 **LANDING SITE, RESORT, AND/OR AIRPORT TO PERPETUATE THE**  
6 **ECONOMIC SABOTAGE REGARDLESS OF QUANTITY."**  
7

8 Sec. 5. A new Section 3-A shall be inserted after Section 3 of Republic Act. No.  
9 10845 to read as:

10  
11 **"SEC. 3-A. LARGE-SCALE AGRICULTURAL HOARDING,**  
12 **PROFITEERING, AND CARTEL AS ECONOMIC SABOTAGE. -**  
13 **HOARDING, PROFITEERING, OR CARTEL, AS DEFINED IN**  
14 **SECTION 5 OF REPUBLIC ACT NO. 7581, INsofar AS THEY**  
15 **INVOLVE SUGAR, CORN, PORK, POULTRY, GARLIC, ONION,**  
16 **CARROTS, FISH AND CRUCIFEROUS VEGETABLES, IN ITS RAW**  
17 **STATE, OR WHICH HAVE UNDERGONE THE SIMPLE PROCESSES OF**  
18 **PREPARATION OR PRESERVATION FOR THE MARKET, WITH A**  
19 **MINIMUM AMOUNT OF ONE MILLION PESOS (P1,000,000.00), OR**  
20 **RICE, WITH A MINIMUM AMOUNT OF TEN MILLION**  
21 **(P10,000,000.00), AS VALUED BY THE DEPARTMENT OF**  
22 **AGRICULTURE FOR DOMESTICALLY PRODUCED COMMODITIES,**  
23 **SHALL CONSTITUTE ECONOMIC SABOTAGE."**  
24

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

26  
27 "Section 4. Penalties. - (a) The penalty of life imprisonment and a fine of  
28 twice the fair value of smuggled agricultural product **OR THE PRODUCT**  
29 **SUBJECT TO HOARDING, PROFITEERING, OR CARTEL** and the  
30 aggregate amount of the taxes, duties and other charges avoided shall be  
31 imposed on any person who commits any of the acts enumerated under  
32 Section **S 3 AND 3-A** of this Act.



1  
2 (b) The penalty of imprisonment of not less than seventeen (17) years but  
3 not more than twenty (20) years, and a fine of twice the fair value of the  
4 smuggled, **PROFITEERED, HOARDED, OR CARTELLED** agricultural  
5 product and the aggregate amount of the taxes, duties and other charges  
6 avoided shall be imposed on the officers of dummy corporations,  
7 nongovernment organizations, associations, cooperatives, or single  
8 proprietorships who knowingly sell, lend, lease, assign, consent or allow the  
9 unauthorized use of their import permits for purposes of smuggling,  
10 **PROFITEERING, HOARDING, OR CARTELLING.**

11  
12 (c) The penalty of imprisonment of not less than fourteen (14) years but not  
13 more than seventeen (17) years, and a fine of twice the fair value of the  
14 smuggled, **PROFITEERED, HOARDED, OR CARTELLED** agricultural  
15 product and the aggregate amount of the taxes, duties and other charges  
16 avoided shall be imposed on the following:

17  
18 XXX

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

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

27  
28 Sec. 7. A new Section 6 shall be inserted after Section 5 of Republic Act. No.  
29 10845 to read as:

30  
31 **"SEC. 6. INTER-AGENCY COUNCIL ON ECONOMIC INTELIGENCE. –**  
32 **THERE IS HEREBY CREATED AN INTER-AGENCY COUNCIL ON**

1           **ECONOMIC INTELLIGENCE, HEREINAFTER REFERRED TO AS**  
2           **COUNCIL, WHICH IS MANDATED TO ENFORCE THE PROVISIONS**  
3           **OF THIS ACT AND TO PRINCIPALLY COMBAT SMUGGLING,**  
4           **HOARDING, PROFITEERING, AND CARTEL ORGANIZATION**  
5           **AND/OR PARTICIPATION: PROVIDED, THAT, THE TASK FORCE**  
6           **SHALL BE CO-CHAIRER BY THE DEPARTMENT OF AGRICULTURE**  
7           **(DA), DEPARTMENT OF TRADE AND INDUSTRY (DTI) AND THE**  
8           **BUREAU OF CUSTOMS (BOC), AND SHALL INCLUDE AS MEMBERS**  
9           **THE DEPARTMENT OF JUSTICE (DOJ), NATIONAL BUREAU OF**  
10           **INVESTIGATION (NBI), DEPARTMENT OF INTERIOR AND LOCAL**  
11           **GOVERNMENT (DILG), PHILIPPINE NATIONAL POLICE (PNP),**  
12           **PHILIPPINE COMPETITION COMMISSION (PCC), NATIONAL**  
13           **SECURITY COUNCIL (NSC), AND NATIONAL INTELLIGENCE**  
14           **COORDINATING AGENCY (NICA).”**

15  
16           Sec. 8. Section 7 of Republic Act No. 10845 is hereby amended to read as:

17  
18           “Section. 7. Prescription of Crimes. -The crimeS punishable under this Act  
19           shall prescribe in twenty (20) years.”

20  
21           Sec. 9. *Implementing Rules and Regulations.* – The DA, DTI, AND BOC, in  
22           consultation with concerned agencies, shall promulgate the implementing rules and  
23           regulations of this Act within thirty (30) days upon its effectivity.

24  
25           Sec. 10. *Separability Clause.* - If any portion of this Act is declared  
26           unconstitutional or invalid, the portions or provisions which are not affected shall  
27           continue to be in full force and effect.

28  
29           Sec. 11. *Repealing Clause.* - All laws, decrees, executive issuances, rules and  
30           regulations inconsistent with this Act are hereby repealed and/or modified  
31           accordingly.

1           Sec. 12. *Effectivity Clause.* - This Act shall take effect after fifteen (15) days  
2 following its publication in the Official Gazette or in a newspaper of general circulation.

*Approved,*