

Republic of the Philippines
CONGRESS OF THE PHILIPPINES
Metro Manila

Sixteenth Congress
Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-seventh day of July, two thousand fifteen.

REPUBLIC ACT No. 10845

AN ACT DECLARING LARGE-SCALE AGRICULTURAL SMUGGLING AS ECONOMIC SABOTAGE, PRESCRIBING PENALTIES THEREFOR AND FOR OTHER PURPOSES

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

SECTION 1. *Short Title.* – This Act shall be known as the “Anti-Agricultural Smuggling Act of 2016”.

SECTION 2. *Declaration of Policy.* – It is the policy of the State to promote the productivity of the agriculture sector and to protect farmers from unscrupulous traders and importers, who by their illegal importation of agricultural products, especially rice, significantly affect the production, availability of supply and stability of prices, and the food security of the State.

The State shall impose higher sanctions for large-scale smuggling of agricultural products, as a self-preservation measure to shield itself from the manipulative scheme of economic saboteurs, and to protect the livelihood of our farmers and to ensure their economic well-being.

SECTION 3. *Large-Scale Agricultural Smuggling as Economic Sabotage.* – The crime of large-scale agricultural smuggling as economic sabotage, involving sugar, corn, pork, poultry, garlic, onion, carrots, fish, and cruciferous vegetables, in its raw state, or which have undergone the simple processes of preparation or preservation for the market, with a minimum amount of one million pesos (P1,000,000.00), or rice, with a minimum amount of ten million pesos (P10,000,000.00), as valued by the Bureau of Customs (BOC), is committed through any of the following acts:

- (a) Importing or bringing into the Philippines without the required import permit from the regulatory agencies;
- (b) Using import permits of persons, natural or juridical, other than those specifically named in the permit;
- (c) Using fake, fictitious or fraudulent import permits or shipping documents;
- (d) Selling, lending, leasing, assigning, consenting or allowing the use of import permits of corporations, nongovernment organizations, associations, cooperatives, or single proprietorships by other persons;
- (e) Misclassification, undervaluation or misdeclaration upon the filing of import entry and revenue declaration with the BOC in order to evade the payment of rightful taxes and duties due to the government;

(f) Organizing or using dummy corporations, nongovernment organizations, associations, cooperatives, or single proprietorships for the purpose of acquiring import permits;

(g) Transporting or storing the agricultural product subject to economic sabotage regardless of quantity; or

(h) Acting as broker of the violating importer.

SECTION 4. Penalties. – (a) The penalty of life imprisonment and a fine of twice the fair value of the smuggled agricultural product and the aggregate amount of the taxes, duties and other charges avoided shall be imposed on any person who commits any of the acts enumerated under Section 3 of this Act.

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

(c) The penalty of imprisonment of not less than fourteen (14) years but not more than seventeen (17) years and a fine equal to the fair value of the smuggled agricultural product and the aggregate amount of the taxes, duties and other charges avoided shall be imposed on the following:

(1) The registered owner and its lessee or charterer, in case of lease, of a chartered boat, motorized commercial vessel of more than three (3) gross tonnage, who knowingly transports the agricultural product subject to economic sabotage, regardless of quantity;

(2) The registered owner and its lessee, in case of lease of six (6) or more wheeler trucks, vans and other means of transportation, who knowingly transports the agricultural product subject to economic sabotage, regardless of quantity;

(3) The registered owner and lessee of a warehouse, or any property, who knowingly stores the smuggled agricultural product subject to economic sabotage; or

(4) The registered owner, lessee, president or chief executive officer of the private port, fish port, fish landing sites, resorts, and airports who knowingly allows the agricultural product to be smuggled into the country.

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

(1) The registered owner and its lessee or charterer, in case of lease.; of a chartered boat, motorized commercial vessel of three (3) gross tonnage or less, who knowingly transports the agricultural product subject to economic sabotage, regardless of quantity; or

(2) The registered owner and its lessee, in case of lease, of less than six (6) wheeler trucks, vans and other means of transportation, who knowingly transports the agricultural product subject to economic sabotage, regardless of quantity.

In all cases, the smuggled agricultural products shall be confiscated and the property used in agricultural smuggling, consistent with Section 2530 of the Tariff and Customs Code and without prejudice to Section 2531 of the same Code, shall be forfeited in favor of the government.

When the offender is a juridical person, criminal liability shall attach to its president, chief operating officer or manager who consents to or knowingly tolerates the commission of the prohibited crime.

Any person, natural or juridical, found guilty under this Act shall also suffer the penalty of perpetual absolute disqualification to engage in any business involving importation.

In applying the abovementioned penalties, if the offender is an alien and the prescribed penalty is not life imprisonment, he/she shall be deported after serving the sentence without further proceedings for deportation.

If the offender is a government official or employee, the penalty shall be the maximum as hereinabove prescribed and the offender shall suffer an additional penalty of perpetual disqualification from public office, to vote and to participate in any public election.

SECTION 5. *Presumption of Agricultural Smuggling.* – Mere possession of rice or any agricultural product under this Act, which has been the subject of smuggling, entered into the Philippines other than the BOC controlled ports or without the necessary permits shall be prima facie evidence of smuggling.

SECTION 6. *Implementing Rules and Regulations.* – The BOC, in consultation with concerned agencies, shall promulgate the implementing rules and regulations of this Act within thirty (30) days upon its effectivity.

SECTION 7. *Prescription of Crimes.* – The crime punishable under this Act shall prescribe in twenty (20) years.

SECTION 8. *Separability Clause.* – If any portion of this Act is declared unconstitutional or invalid, the portions or provisions which are not affected shall continue to be in full force and effect.

SECTION 9. *Repealing Clause.* – All laws, decrees, executive issuances, rules and regulations inconsistent with this Act are hereby repealed and/or modified accordingly.

SECTION 10. *Effectivity Clause.* – This Act shall take effect after fifteen (15) days following its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,

(Sgd.) **FRANKLIN M. DRILON**
President of the Senate

(Sgd.) **FELICIANO BELMONTE JR.**
Speaker of the House
of Representatives

Senate Bill No. 2923, which was approved by the Senate on October 5, 2015, was adopted as an amendment to House Bill No. 6380 by the House of Representatives on February 2, 2016.

(Sgd.) **OSCAR G. YABES**
Secretary of the Senate

(Sgd.) **MARILYN B. BARUA-YAP**
Secretary General
House of Representatives

Approved: MAY 23 2016

(Sgd.) **BENIGNO S. AQUINO III**
President of the Philippines