

THIRTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session

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RECEIVED BY: *Osmeña*

SENATE

S. No. 454

Introduced by Senator S. R. Osmeña III

EXPLANATORY NOTE

Republic Act 3893, otherwise known as the General Bonded Warehouse Act, as amended, is the special law regulating the business of receiving commodities for storage and defining the rights and obligations of a bonded warehouseman and those transacting business with him as a bonded warehouseman. It covers every person engaged in the business of receiving commodities for storage, not only of rice and palay, but also of any other product, goods, articles or merchandise which may be traded or dealt openly and legally.

RA 3893, as amended protects the rights of the owners of the commodity. Pursuant to such law, it shall be the obligation of every bonded warehouseman to deliver to the depositors in his storage warehouse the commodity received by him for storage, at any time demand is made, or to pay the market value thereof, in case he is unable to return the same.

Despite RA 3893, the unlawful practice of withdrawing warehouse commodities without the knowledge of the owner of the commodity has continued unabated. Therefore, to add more teeth to RA 3893, this bill sees to hold as criminally liable every warehouseman who fails to produce the commodity corresponding to a warehouse receipt presented by the owner. The duty to ensure that there is no disparity between the physical commodity stored in the warehouse and all the outstanding receipts issued by the warehouse shall be imposed upon every owner or manager of a warehouse.

In view of the foregoing, early approval of this bill is earnestly requested.

S. Osmeña III
SERGIO OSMEÑA III
Senator

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RECEIVED BY: *Quilo*

SENATE

S. No. 454

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AN ACT
HOLDING OPERATORS OF WAREHOUSES CRIMINALLY LIABLE FOR
EMPTY WAREHOUSES, PROVIDING PENALTIES THEREFOR AND FOR
OTHER PURPOSES

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

1 Section 1. It shall be the duty of the owner or manager of a warehouse to
2 see to it that all outstanding receipts issued by the warehouse are at all times
3 backed by the corresponding volume of actual physical commodity stored in the
4 warehouse.

5 Section 2. The owner or manager of the warehouse shall be guilty of a
6 criminal offense if it can be proven that the holder of a warehouse receipt is
7 unable to withdraw the amount of the commodity corresponding to his warehouse
8 receipt stored in the warehouse owing to the absence of the physical commodity
9 in which case the warehouse shall be considered an empty warehouse.

10 Section 3. The owner or manager of the warehouse shall upon conviction
11 by final judgment be punished by imprisonment ranging from two (2) years to ten
12 (10) years and a fine of not less than Five Hundred Thousand Pesos
13 (P500,000.00) or three times the amount of the missing commodity, whichever is
14 higher.

1 If the operator of the warehouse is a corporation or association, the
2 maximum penalty of ten (10) years shall be imposed upon the chief executive
3 officer, president, director, manager, or managing partners thereof.

4 Section 4. All laws, decrees, executive orders, issuances, rules and
5 regulations or parts thereof which are inconsistent with the provisions of this Act
6 are hereby repealed or modified accordingly.

7 Section 5. This Act shall take effect fifteen (15) days after its complete
8 publication in at least two (2) newspapers of general circulation.

Approved.