

THIRTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
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SENATE

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P.S. Res. No. 68

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INTRODUCED BY THE HONORABLE MAR ROXAS

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**A RESOLUTION  
DIRECTING THE COMMITTEES ON TRADE AND COMMERCE  
AND ECONOMIC AFFAIRS TO CONDUCT A JOINT INVESTIGATION,  
IN AID OF LEGISLATION, ON THE PROBLEM OF UNABATED SMUGGLING  
OF GOODS INTO THE COUNTRY TO THE DETRIMENT OF  
LOCAL PRODUCERS, MANUFACTURERS, RETAILERS, AND CONSUMERS  
AND THE PHILIPPINE ECONOMY IN GENERAL, WITH THE GOAL OF  
RECOMMENDING MEASURES TO END THE PROBLEM OF SMUGGLING  
IN THE COUNTRY**

*WHEREAS*, it has been reported that technical and outright smuggling amounting to 525 billion pesos (10 billion dollars) transpired last year, leading to an estimated loss in government tax revenues of at least 84 billion pesos in the same year, significantly contributing to the widening public sector budget deficit that is a major and urgent public policy challenge for the country at present;

*WHEREAS*, Section 1, Article XII of the 1987 Philippine Constitution upholds the right of the State to "protect Filipino enterprises against unfair foreign competition and trade practices;"

*WHEREAS*, smuggling distorts market prices and affects trading of goods at a great cost to legitimate businesses, particularly Small and Medium-Scale Enterprises in the country. Smuggling threatens not only the occupation of Filipino producers, manufacturers and retailers but also Filipino workers who depend on local industries for employment;

*WHEREAS*, smuggling breeds corruption, allows entry into the country of sub-standard goods and products that may be harmful to Filipino consumers and undermines the capacity of government to provide adequate protection for its citizens;

*WHEREAS*, the Cabinet Oversight Committee on Anti-Smuggling (COCAS), the National Anti-Smuggling Task Force (NASTF) and the Anti-Smuggling Intelligence and Information Center (ASIIC), all special anti-smuggling bodies that were created by virtue of Executive Order No. 297 last March 2004, were abolished this August despite its commendable record that resulted in the filing of 62 smuggling cases and the inspection of 2,755 reefer vans;

*WHEREAS*, the Federation of Philippine Industries, along with representatives of local rice and sugar farmers, vegetable producers and hog and livestock raisers, have called for more intensive government efforts to put an end to the country's smuggling problem;

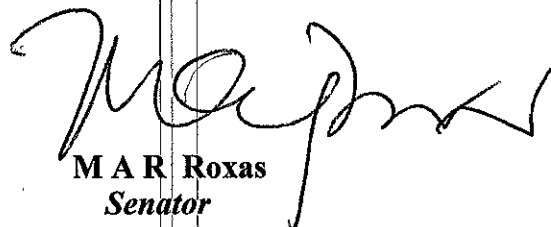
*WHEREAS*, there is growing concern among business groups and the public in general over the sudden abolition of these special anti-smuggling bodies and of the ability of the Bureau of Customs to take on the task of anti-smuggling on its own considering its dismal track record;

*pon*

*WHEREAS*, in the face of the country's fiscal situation, the public demands definitive and strong action from the government relative to the smuggling problem and consultation with the private sector has shown that there is a need not only for greater efficiency in implementing anti-smuggling laws but also for reform measures to effectively curb smuggling into the country;

*NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED*, that the Senate direct the Committees on Trade and Commerce and Economic Affairs to conduct a joint investigation, in aid of legislation, on the prevalence of smuggling of agricultural and manufactured goods into the country and its adverse impact on Filipino stakeholders and the Philippine economy, and ultimately, identify the necessary measures to finally remove this major hindrance to national development.

Adopted,

  
MAR Roxas  
Senator