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SENATE

COMMITTEE REPORT NO. 118

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Submitted Jointly by the Committee on Agriculture, Food and Agrarian Reform and the Committees on Justice and Human Rights; Finance; and Ways and Means on SEP - 4 2023.

Re: Senate Bill No. 2432 (Prepared by the Committees)

Recommending its approval in substitution of S. Nos. 1688, 1812, 1891, 1962, 2127, 2205, 2214, 2298, 2413 taking into consideration SRN 206 and HBN 3917.

Sponsor: Senator Cynthia A. Villar

Mr. President:

The Committee on Agriculture, Food and Agrarian Reform and the Committees on Justice and Human Rights; Finance; and Ways and Means to which were primarily and secondarily referred **Senate Bill No. 1688**, introduced by Senator Ejercito, entitled:

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

Senate Bill No. 1812, introduced by Sen. Lapid, entitled:

**"AN ACT
AMENDING SECTIONS 3 AND 4 OF REPUBLIC ACT NO. 10845,
OTHERWISE KNOWN AS THE ANTI-AGRICULTURAL SMUGGLING ACT
OF 2016 AND FOR OTHER PURPOSES"**

Senate Bill No. 1891, introduced by Sen. Revilla Jr., entitled:

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

Senate Bill No. 1962, introduced by Sen. C. Villar, entitled:

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

Senate Bill No. 2127, introduced by Sen. Villanueva, entitled:

**"AN ACT
STRENGTHENING THE ANTI-AGRICULTURAL SMUGGLING POLICIES
IN THE COUNTRY, APPROPRIATING FUNDS THEREFOR AND FOR
OTHER PURPOSES"**

Senate Bill No. 2205, introduced by Sen. Hontiveros, entitled:

"AN ACT

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

Senate Bill No. 2214, introduced by Sen. Padilla, entitled:

"AN ACT

**AMENDING SECTION 4 OF REPUBLIC ACT NO. 10845 OTHERWISE
KNOWN AS THE ANTI-AGRICULTURAL SMUGGLING ACT OF 2016,
THEREBY IMPOSING DEATH PENALTY WHEN THE OFFENSE IS
COMMITTED BY A PERSONNEL OF THE BUREAU OF CUSTOMS, THE
ARMED FORCES OF THE PHILIPPINES, THE PHILIPPINE NATIONAL
POLICE, OR ANY OTHER UNIFORMED OR LAW ENFORCEMENT
AGENCY"**

Senate Bill No. 2298, introduced by Sen. Tulfo, entitled:

"AN ACT

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

Senate Bill No. 2413, introduced by Sen. Dela Rosa, entitled:

"AN ACT

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

taking into consideration:

Senate Resolution No. 206, introduced by Sen. Marcos, entitled:

"RESOLUTION DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE REPORTED RAMPANT SMUGGLING OF AGRICULTURAL PRODUCTS IN THE COUNTRY, THEREBY CAUSING GREAT LOSS AND HARM TO THE ECONOMY, THE LOCAL AGRICULTURAL INDUSTRY, AND OUR FARMERS AND FISHERFOLK"

House Bill No. 3917, introduced by Representatives Marcos, Nograles (M.I), Luistro, et. al., entitled:

"AN ACT AMENDING SECTIONS 3 AND 4 OF REPUBLIC ACT NO. 10845, OTHERWISE KNOWN AS THE ANTI-AGRICULTURAL SMUGGLING ACT OF 2016 AND FOR OTHER PURPOSES"

have considered the same and have the honor to report back to the Senate with the recommendation that the attached bill, **S. No. 2432**, prepared by the Committees, entitled:

"AN ACT DEFINING THE CRIMES OF AGRICULTURAL ECONOMIC SABOTAGE, PROVIDING PENALTIES THEREFOR, CREATING THE ANTI-AGRICULTURAL ECONOMIC SABOTAGE COUNCIL, REPEALING REPUBLIC ACT NO. 10845 OR THE ANTI-AGRICULTURAL SMUGGLING ACT OF 2016, AND FOR OTHER PURPOSES"

be approved in substitution of S. Nos. 1688, 1812, 1891, 1962, 2127, 2205, 2214, 2298, 2413 taking into consideration S. Resolution 206 and; taking into consideration House Bill No. 3917, with Senators Joseph Victor G. Ejercito, Manuel "Lito" M. Lapid, Ramon Bong Revilla Jr., Cynthia A. Villar, Joel Villanueva, Risa Hontiveros, Robinhood C. Padilla, Raffy T. Tulfo, Ronald "Bato" Dela Rosa and Imee R. Marcos as authors thereof.

RESPECTFULLY SUBMITTED:



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** may be drop no: 1st*



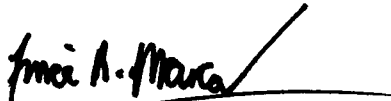
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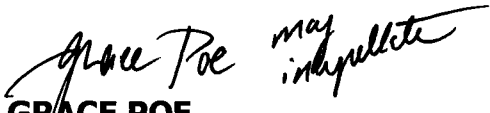
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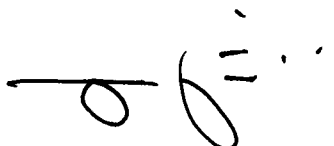
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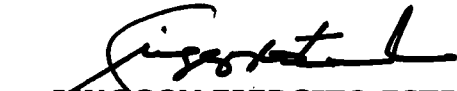

RISA HONTIVEROS
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Member, Committees on Agriculture, Food and Agrarian Reform; Ways and Means; Justice and Human Rights

will interpellate, & may propose amendments

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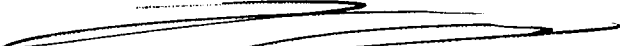
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President Pro-tempore



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Majority Leader

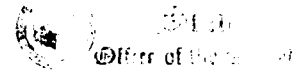
with interpellate



AQUILINO "KOKO" PIMENTEL III
Minority Leader

HON. JUAN MIGUEL "MIGZ" F. ZUBIRI
President
Senate of the Philippines

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



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SENATE
Senate Bill No. 2432

RECEIVED BY

(In substitution of Senate Bill Nos. 1688, 1812, 1891, 1962, 2127, 2205, 2214, 2298, 2413 taking into consideration Proposed Senate Resolution No. 206 and House Bill No. 3917)

Prepared by the Committees on Agriculture, Food and Agrarian Reform; Justice and Human Rights; Finance; and Ways and Means with Senators Joseph Victor G. Ejercito, Manuel "Lito" M. Lapid, Ramon Bong Revilla Jr., Cynthia A. Villar, Joel Villanueva, Risa Hontiveros, Robinhood C. Padilla, Raffy T. Tulfo, Ronald "Bato" Dela Rosa and Imee R. Marcos as authors thereof

AN ACT
DEFINING THE CRIMES OF AGRICULTURAL ECONOMIC SABOTAGE,
PROVIDING PENALTIES THEREFOR, CREATING THE ANTI-AGRICULTURAL
ECONOMIC SABOTAGE COUNCIL, REPEALING REPUBLIC ACT NO. 10845
OR 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 CHAPTER I

2 PRELIMINARY PROVISIONS

3 **SECTION 1. Short Title.** - This Act shall be known as the "Anti-Agricultural
4 Economic Sabotage Act."

5 **SEC. 2. Declaration of Policy.** - It is the policy of the State to promote the
6 productivity of the agriculture sector and to protect farmers and fisherfolk from

1 unscrupulous traders and importers and ensure reasonable and affordable prices of
2 agricultural and fishery products for consumers.

3 It is also the policy of the State to prevent smuggling of agricultural and fishery
4 products, as this negatively affects agricultural production, supply of agricultural
5 products, stability of prices, and threaten the food security of its people. The State
6 shall also eliminate hoarding, profiteering, and cartel that unduly restrain supply and
7 manipulate prices.

8 These illegal acts likewise deprive the State of much needed taxes and revenues
9 for economic development.

10 The State, therefore, shall impose severe sanctions on the nefarious acts of
11 smuggling, hoarding, profiteering, and cartel of agricultural and fishery products as a
12 self-preservation measure to shield itself from the manipulative scheme of economic
13 saboteurs, protect the livelihood of our farmers, plug leakages in tax and duty
14 collection on these products and protect the State from tax evaders and non-payers
15 of duties, ensure the well-being of our agricultural producers and welfare of the
16 consumers, and the economy as a whole.

17 **SEC. 3. *Definition of Terms.*** - For purposes of this Act, the following terms
18 are hereby defined as follows:

19 (a) *Agricultural and Fishery Products* refer to rice, sugar, corn, beef, pork, poultry,
20 dairy, garlic, onion, carrots, fruits, fish and other aquatic products, cruciferous
21 vegetables, in their raw state or which have undergone the simple process of
22 preparation or preservation for the market, and tobacco;

23 (b) *Broker* refers to any person, whether licensed or not, whose services consist of
24 any of the following: consultation, preparation of customs requisite document
25 for imports and exports, declaration of customs duties and taxes, preparation,
26 signing, filing, lodging and processing of import entries; facilitator; agent
27 representing importers before any government agency and private entities and
28 rendering of other services in matters relating to customs and tariff laws, its
29 procedures and practices;

- 1 (c) *Daily Price Index* refers to a system of daily price setting of retail prices for
2 agricultural and fishery products in all provincial capital of the country;
- 3 (d) *Department* refers to the Department of Agriculture;
- 4 (e) *Economic Sabotage* in agriculture refers to any act or activity that disrupts the
5 economy by creating artificial shortage, promoting excessive importation,
6 manipulating prices and supply, evading payment or underpayment of tariffs
7 and customs duties, threatening local production and food security, gaining
8 excessive or exorbitant profits by exploiting situations, creating scarcity, and
9 entering into agreements that defeat fair competition to the prejudice of the
10 public;
- 11 (f) *Import Clearance* refers to a written certificate issued by the concerned
12 authority stating the volume of the consignment. This includes the minimum
13 access volume (MAV) import certificate, import permit, Sanitary and
14 Phytosanitary (SPS) Import Clearance, Clearance for the Release of imported
15 Sugar, or any other equivalent document issued for the importation of
16 agricultural and fishery products;
- 17 (g) *Importation* refers to the act of bringing in goods from a foreign territory into
18 the Philippine territory, whether for consumption, warehousing, or admission
19 as defined in the Customs Modernization and Tariff Act (CMTA) or Republic Act
20 No. 10863;
- 21 (h) *Person* refers to a natural or juridical person;
- 22 (i) *Parallel Pricing* refers to a situation in which multiple traders or sellers offer the
23 same or similar products at similar price points in a competitive market;
- 24 (j) *Sanitary and Phytosanitary (SPS) Measures* refer to any legislation, regulation,
25 requirement, or procedure applied for the purpose of (a) protecting animal or
26 plant life or health within the territory of the Philippines from risks arising from
27 the entry, establishment or spread of pests, diseases, disease-carrying
28 organisms or disease-causing organisms; (b) protecting human or animal life
29 or health from risks arising from additives, contaminants, toxins or disease-
30 causing organisms in agricultural imported products; (c) protecting human life
31 or health from risks arising from diseases carried by animals, plants or products
32 thereof, or from the entry, establishment or spread of pests; or (d) preventing

1 or limiting other damage within the territory of the Philippines from the entry,
2 establishment or spread of pests;

3 (k) *Simple Process of Preparation or Preservation of an Agricultural and Fishery*
4 *Product for the Market* refers to the process of handling agricultural and fishery
5 products in its original state through freezing, drying, salting, broiling, roasting,
6 smoking, or stripping;

7 (l) *Smuggling* refers to the fraudulent act of importing or bringing into the country
8 agricultural and fishery products, or the act of assisting in receiving, concealing,
9 buying, selling, disposing, storing or transporting such products, with or without
10 full knowledge that the same have been fraudulently imported;

11 (m) *SPS Import Clearance* refers to the document issued prior to importation by the
12 concerned bureau or agency to ensure that the products being imported meet
13 the standards to protect human, animal, or plant life or health, ensuring that
14 the agricultural or fishery products are safe for consumers and to prevent the
15 spread of pests or diseases among animals or plants. Such document also
16 prescribes the conditions to be complied with by the importer for the
17 maintenance of quality and suitability of the product for the intended purpose;

18 (n) *Tobacco* refers to unmanufactured and manufactured tobacco, including
19 finished products such as cigars, cigarettes, or heated tobacco products.

20 *Unmanufactured tobacco* refers to agricultural components derived from
21 the tobacco plant, which are processed for use in the manufacturing of
22 cigarettes and other tobacco products.

23 *Manufactured tobacco* refers to any finished product that contains
24 tobacco such as cigarettes, cigars, heated tobacco products or any product
25 containing tobacco that is intended for smoking, heating, puffing, oral or nasal
26 use.

27 For purposes of this Act, smuggled tobacco is one that is not registered
28 with the Bureau of Internal Revenue (BIR); and

29 (o) *Value* refers to the retail prices of agricultural and fishery products as set by
30 the Daily Price Index at the time of the commission of the crime.

1 CHAPTER II
2 PROHIBITED ACTS

3 **SEC. 4. *Agricultural Smuggling, Hoarding, Profiteering, and Cartel as***
4 ***Economic Sabotage.*** – The crimes of agricultural smuggling, hoarding, profiteering,
5 and cartel as economic sabotage are committed when the value of each agricultural
6 and fishery product subject of the crime is at least One Million Pesos (P1,000,000.00),
7 using the Daily Price Index, under Section 19 of this Act, computed at the time the
8 crime was committed.

9 **SEC. 5. *Smuggling; How Committed.*** – Agricultural smuggling as used in
10 this Act is committed through any of the following acts:

- 11 (a) Importing or bringing into the Philippines agricultural and fishery products
12 without the required import clearance from the regulatory agencies;
- 13 (b) Using import clearance of persons other than those specifically named in the
14 permit;
- 15 (c) Using fake, false, fictitious or fraudulent import clearance, shipping documents
16 or any other transport documentation;
- 17 (d) Selling, lending, leasing, assigning, consenting or allowing the use of import
18 clearance of corporations, non-government organizations, associations,
19 cooperatives, partnerships, or single proprietorships by other persons;
- 20 (e) Misclassification, undervaluation or misdeclaration upon the filing of import
21 entry declaration or transport documentation with the Bureau of Customs
22 (BOC) in order to evade the payment of correct taxes and duties due the
23 government;
- 24 (f) Organizing or using dummy corporations, non-government organizations,
25 associations, cooperatives, partnerships, or single proprietorships for the
26 purpose of acquiring import clearance;
- 27 (g) Transporting or storing the agricultural product subject of economic sabotage;
- 28 (h) Acting as a broker of the violating importer; or

1 (i) Allowing the use of a private port, fish port, fish landing site, resort, and/or
2 airport to perpetuate economic sabotage.

3 The mere possession or presence of any agricultural and fishery products
4 referred to in Section 4 in any BOC-controlled port, fish port, fish landing site, resort,
5 airport or any warehouse, cold storage, vessel, transport conveyance, and other
6 storage areas, imported through any of the acts herein enumerated shall constitute
7 *prima facie* evidence of violation, and shall authorize any member or a combination of
8 members of the Enforcement Group to proceed and enter all areas where the products
9 subject of the violation are located and confiscate the same forthwith and arrest
10 violators.

11 *Provided*, That Title IV, Chapter III (Assessment and Release), Sections 423 to
12 436 of the CMTA shall not apply on imported agricultural and fishery products subject
13 of this Act.

14 *Provided further*, That the BOC and all trade regulatory agencies shall fully
15 implement the National Single Window Program as originally mandated in Executive
16 Order No. 482, series of 2005, within ninety (90) days from the effectivity of this Act.

17 **SEC. 6. Hoarding; How Committed.** – Agricultural hoarding as used in this
18 Act is committed by undue accumulation and unreasonable refusal in the face of
19 existing shortage of products, artificial or real, referred to in Section 4 of this Act by a
20 person or combination of persons to dispose of, sell or distribute such products to the
21 general public.

22 There shall be *prima facie* evidence of hoarding when a person has stocks of
23 said products thirty percent (30%) higher than his usual inventory. The determination
24 of a person's usual inventory shall be reckoned from the third month immediately
25 preceding the discovery of the excess stocks in case the person has been engaged in
26 the business for at least three (3) months; otherwise, it shall be reckoned from the
27 time he started his business.

28 Such *prima facie* violation shall authorize any member or a combination of
29 members of the Enforcement Group to proceed and enter all areas where the products
30 subject of the violation are located and confiscate the same forthwith and arrest
31 violators.

1 **SEC. 7. Profiteering; How Committed.** – Agricultural profiteering as used
2 in this Act is the sale or offering for sale of the products referred to in Section 4 of this
3 Act at a price grossly in excess of their true worth, as indicated in the Daily Price
4 Index, in the face of existing shortage or emergency, artificial or real.

5 There shall be *prima facie* evidence of profiteering whenever a product being
6 sold:

7 (i) has no price tag or definite information on the price;

8 (ii) is misrepresented as to its weight or measurement;

9 (iii) is adulterated or diluted; or

10 (iv) whenever a person raises the price of any of the product being sold or
11 offered for sale by more than ten percent (10%) of its price, using the Daily
12 Price Index, under Section 19 of this Act.

13 Such *prima facie* violation shall authorize any member or a combination of
14 members of the Enforcement Group to proceed and enter all areas where the products
15 subject of the violation is located and confiscate the same forthwith and arrest
16 violators.

17 **SEC. 8. Cartel; How Committed.** – Cartel as a crime as used in this Act is
18 committed by any combination of or agreement between two or more persons
19 engaged in the production, manufacture, processing, storage, supply, distribution,
20 marketing, sale or disposition of any agricultural and fishery products designed to
21 artificially and unreasonably increase or manipulate its price, involving products
22 referred to in Section 4 of this Act. It is also committed whenever there is parallel
23 pricing or any market behavior that tends to exclude the possibility of independent
24 action by the entities involved in such parallel pricing.

25 *Provided,* That an agreement herein refers to any type or form of contract,
26 arrangement, understanding, collective recommendation, or concerted action,
27 whether formal or informal, explicit or tacit, written or oral:

28 *Provided further,* That any person or persons include unincorporated entity or
29 entities, domestic or foreign, including those owned or controlled by the government,
30 engaged directly or indirectly in any economic activity.

1 There shall be *prima facie* evidence of engaging in a cartel whenever two or
2 more persons competing for the same market and dealing in the same agricultural
3 and fishery products, perform uniform or complementary acts among themselves
4 which tend to bring about artificial and unreasonable increase in the price of such
5 products or when they simultaneously and unreasonably increase prices in their
6 competing products, thereby lessening competition among themselves.

7 Such *prima facie* violation shall authorize any member or a combination of
8 members of the Enforcement Group to proceed and enter all areas where the products
9 subject of the violation is located and confiscate the same forthwith and arrest
10 violators.

11 **SEC. 9. *Use of Government Storage Facilities.*** – Cold storages,
12 warehouses and similar facilities granted by the government to cooperatives and
13 associations shall exclusively be used by their farmers and fisherfolk members. Renting
14 out to or use in any way by non-members, such as traders and other private
15 businesses, shall be prohibited.

16 Violation of this section shall be penalized under Section 11, paragraphs one
17 (1) and four (4) of this Act.

18 **SEC. 10. *Mandatory Record Keeping.*** – All persons engaged in the business
19 involving agricultural and fisheries products are hereby mandated to maintain records
20 of their business transactions at the start of their business operations. Failure to
21 produce such records upon demand by any member or a combination of members of
22 the enforcement group shall constitute a *prima facie* evidence of violation of any of
23 the crimes punishable under this act.

24 CHAPTER III
25 PENALTIES

26 **SEC. 11. *Penalties.*** –

27 The penalty of life imprisonment and a fine thrice the value of the agricultural
28 and fishery products subject of the crime as economic sabotage shall be imposed on

1 any person who commits, or aids or abets the commission of, any of the prohibited acts
2 herein enumerated.

3 If a government officer or employee is the offender of any of the crimes as
4 economic sabotage, or abets or aids in the commission of the crime, or prevents the
5 filing of a case or its successful prosecution, or prevents the actual arrest of the
6 suspect, the penalty shall be as provided in the first paragraph of this section, and
7 shall suffer the additional penalties of perpetual disqualification from holding public
8 office, exercising the right to vote, from participating in any public election, and
9 forfeiture of employment monetary and financial benefits.

10 The *prima facie* violation of any of the crimes as economic sabotage herein
11 defined and the possession of any agricultural and fishery product at its threshold
12 amount under Section 4 of this Act shall be *prima facie* evidence of strong guilt, which
13 renders the offense non-bailable.

14 *Provided,* That when the offender is a juridical person, criminal liability shall
15 attach to its president, chief operating officer, manager or any officer who participated
16 in the decision that led to the commission of the prohibited act:

17 *Provided further,* That any person found guilty under this Act shall also suffer
18 the penalty of perpetual absolute disqualification to engage in any business involving
19 importation, transportation, storage and warehousing, and domestic trade of
20 agricultural and fishery products:

21 *Provided furthermore,* That the agricultural and fishery products subject of the
22 prohibited acts and the properties used in the commission of the crimes of agricultural
23 economic sabotage such as, but not limited to, vehicles, vessels, aircrafts, storage
24 areas, warehouses, boxes, cases, trunks, and other containers of whatever character
25 used as receptacle of agricultural and fishery products shall be confiscated in favor of
26 the government, subject to Section 16 of this Act:

27 *Provided finally,* That the penalties imposed under this Act shall be separate
28 from whatever penalties incurred under other existing laws.

29 CHAPTER IV
30 IMPLEMENTING BODIES

1 **SEC. 12. *Creation/Establishment of the Anti-Agricultural Economic***
2 ***Sabotage Council.*** — The Anti-Agricultural Economic Sabotage Council, herein
3 referred to as the Council, is hereby created under and to be chaired by the President
4 or his designated permanent representative. It shall have the following additional
5 members:

- 6 a) Department of Agriculture (DA);
- 7 b) Department of Trade and Industry (DTI);
- 8 c) Department of Justice (DOJ);
- 9 d) Department of Finance (DOF);
- 10 e) Department of the Interior and Local Government (DILG);
- 11 f) Department of Transportation (DOTr);
- 12 g) Anti-Money Laundering Council (AMLC);
- 13 h) Philippine Competition Commission (PCC); and
- 14 i) One representative each of the following agricultural sectors, whose
15 membership shall be nationwide:
 - 16 (i) Sugar;
 - 17 (ii) Rice and Corn;
 - 18 (iii) Livestock and Poultry;
 - 19 (iv) Vegetables and Fruits;
 - 20 (v) Fisheries and other aquatic products; and
 - 21 (vi) Tobacco.

22 *Provided,* That the sector representative shall be chosen by the President of
23 the Republic from a list of three (3) nominees submitted by the sector, and shall serve
24 for a fixed term of three (3) years unless earlier replaced by the President upon
25 recommendation of the sector: *Provided further,* That the appointed sectoral
26 representative shall continue to hold office after the expiration of the term until a
27 successor is appointed.

28 **SEC. 13. *Powers and Functions of the Anti-Agricultural Economic***
29 ***Sabotage Council.*** - the Council shall have the following powers and functions:

- 1 (a) Ensure the proper and effective implementation of the provisions of this
2 Act;
- 3 (b) Formulate a national plan to address and counter the agricultural economic
4 sabotage crimes defined in this Act;
- 5 (c) Coordinate the preparation of appropriate and effective measures to
6 prevent and suppress the prohibited acts defined in this Act;
- 7 (d) Coordinate the support and participation of the business sector, local
8 government units and non-government organizations in the effort against
9 agricultural economic sabotage crimes, particularly crime-prevention
10 programs and other related projects;
- 11 (e) Establish a mechanism of information sharing among concerned agencies
12 provided that confidential information shall be retained within the Council
13 so as to protect and preserve the operational integrity of the Council and
14 its prosecutorial and enforcement bodies;
- 15 (f) Direct the speedy investigation and prosecution of all persons accused or
16 detained for the crimes punishable under this Act; and monitor the progress
17 of their cases;
- 18 (g) Freeze the funds, properties, bank deposits, placements, trust accounts,
19 assets and records belonging to a person suspected of or charged with the
20 crimes punishable under this Act;
- 21 (h) Enlist the assistance of any branch, department, bureau, office, agency, or
22 instrumentality of government, including government-owned and controlled
23 corporations, and local government units in the implementation of this Act;
- 24 (i) Deputize other law enforcement agencies to further assist the Enforcement
25 Group;
- 26 (j) Determine the existence of shortage of the agricultural and fishery products
27 under Section 6 and 7 of this Act;
- 28 (k) Extend assistance for the suppression of commission of acts herein
29 prohibited through its prosecutorial and enforcement bodies;
- 30 (l) Facilitate international cooperation on intelligence, investigation, training
31 and capacity-building related to agricultural smuggling prevention,
32 suppression and prosecution;

- 1 (m) Hold in custody and dispose of confiscated, seized and/or surrendered
2 agricultural and fishery products subject of the crimes of economic
3 sabotage;
- 4 (n) Grant monetary rewards and other incentives to informers who give vital
5 information leading to the apprehension, arrest, detention, prosecution, and
6 conviction of person or persons who are liable for the crimes punishable
7 under this Act;
- 8 (o) Create its own permanent Secretariat, define its functions, and constitute
9 its staff complement, their salaries and other emoluments, who shall be
10 selected from the different member agencies of the Council, with individual
11 expertise appropriate to the needs of the Council;
- 12 (p) Recommend the enactment of appropriate laws, issuances, measures and
13 policies; and
- 14 (q) Perform all other powers and functions related to the efficient and effective
15 prevention and suppression of the acts herein prohibited.

16 **Section 14. *Special Team of Prosecutors.*** - To assist the Council in the
17 expeditious prosecution of criminal cases covered under this Act, the Secretary of the
18 Department of Justice (DOJ) is hereby mandated to constitute a special team of
19 prosecutors all over the country, which shall have the following powers and duties,
20 among others:

- 21 (a) Evaluate evidence gathered and submitted by the Enforcement Group to
22 determine whether or not any provision of this Act or its implementing rules
23 and regulations is violated;
- 24 (b) Act on criminal complaints under this Act directly filed by persons under
25 Section 18 of this Act, which may be consolidated with similar complaints
26 filed by the Enforcement Group;
- 27 (c) Apply for the issuance of warrant including, but not limited to, search
28 warrant, warrant of arrest, and warrant of seizure and detention in
29 appropriate cases before the court; and
- 30 (d) Initiate and conduct preliminary investigation and timely file and prosecute
31 the appropriate criminal charges against the person/s responsible for the

1 crimes of smuggling, hoarding, profiteering, and cartel as economic
2 sabotage.

3 **SEC. 15. *Anti-Agricultural Economic Sabotage Enforcement Group.* –**

4 To assist the Council, the Anti-Agricultural Economic Sabotage Enforcement Group,
5 herein referred to as the Enforcement Group, is hereby created. It shall be composed
6 of the following agencies:

- 7 (a) National Bureau of Investigation (NBI);
- 8 (b) Philippine National Police (PNP);
- 9 (c) Philippine Coast Guard (PCG);
- 10 (d) Philippine Ports Authority (PPA);
- 11 (e) Bureau of Fisheries and Aquatic Resources (BFAR);
- 12 (f) DA-Inspectorate and Enforcement (DA-I&E);
- 13 (g) Bureau of Internal Revenue (BIR); and
- 14 (h) Representative(s) from the concerned agricultural sector, whose
15 participation shall be defined by the Council.

16 The Enforcement Group shall have the following powers and functions:

- 17 a) Effect searches, seizures, arrests, and filing of criminal and administrative
18 cases before the prosecutor and appropriate agencies;
- 19 b) Inspect warehouses, cold storages, vessels, and other storage areas where
20 confiscated, seized or surrendered agricultural and fishery products are
21 stored to ensure that such commodities are not being ferreted out or
22 removed without proper documentation; and
- 23 c) Secure copies of documents pertaining, but not limited, to the nature and
24 particulars of the agricultural and fishery product subject of importation,
25 such as quantity or volume, technical or qualitative specifications, port of
26 destination, estimated date of arrival in the Philippines, cargo manifest,
27 reference values from the BOC, transaction values of importers, among
28 others, from government agencies concerned, including, but not limited

1 to, the BOC, the Department, non-government sources like pre-shipment
2 companies at the port of origin, and commercial banks in accordance with
3 existing laws, rules, and regulations.

4 d) Enter, pass through and search at any time any land, enclosure,
5 warehouse, store, building or structure not principally used as a dwelling
6 house. When a security personnel or any other employee lives in the
7 warehouse, store or any building, structure or enclosure that is used for
8 storage of goods, it shall not be considered as a dwelling house for the
9 purposes of this Act.

10 CHAPTER V
11 IMPLEMENTATION AND ENFORCEMENT

12 **SEC. 16. Custody and Disposition of Confiscated, Seized or**
13 **Surrendered Agricultural and Fishery Products and Properties Used in the**
14 **Commission of the Crime of Economic Sabotage; Destruction of the Same.**

15 – The Council shall take charge and have custody of all confiscated, seized or
16 surrendered agricultural and fishery products subject of the crimes of economic
17 sabotage and the properties used in the commission thereof, which shall be disposed
18 in the following manner:

19 (a) The Enforcement Group, under Section 15 of this Act, which may be
20 composed of any member or a combination of its member, shall immediately
21 after seizure and confiscation of the agricultural and fishery products and
22 properties used in the commission of the crime, conduct a physical inventory,
23 and valuation of the seized items which shall be performed by the authorized
24 representative of the Council, and take video recording and/or photograph of
25 the same in the presence of the accused or the person/s from whom such items
26 were confiscated or seized, or their representative or counsel, with an elected
27 public official and a representative of the National Prosecution Service or the
28 media who shall be required to sign the copies of the inventory and be given a

1 copy thereof: *Provided*, That the physical inventory and valuation by the
2 authorized representative of the Council and taking of video recording and/or
3 photograph shall be conducted at the place where the agricultural and fishery
4 products are found.

5 (b) Within twenty-four (24) hours upon confiscation or seizure of the
6 agricultural and fishery products, the same shall be stored in a place to be
7 designated by the Council for evidentiary purposes: *Provided*, That for
8 evidentiary purposes of products which are highly perishable, a video recording
9 or photograph with the presence of the persons mentioned in the above sub-
10 paragraph shall suffice, after which the destruction of the products subject of
11 the crime may forthwith proceed.

12 (c) After the filing of the criminal case, the Court may, within seventy-two (72)
13 hours, conduct an ocular inspection of the confiscated, seized or surrendered
14 agricultural and fishery products, and through the Enforcement Group, which
15 may be composed of any member or a combination of its members, shall within
16 twenty-four (24) hours thereafter proceed with the destruction of the same, in
17 the presence a representative from the media, the DOJ, representative of the
18 agricultural and fishery sector, and any elected public official. The Council shall
19 draw up the guidelines on the manner of proper destruction of such item/s, the
20 expenses of destruction of which shall be borne by the offender.

21 Any government officer or employee who violates the mandatory
22 destruction of agricultural and fishery products under this Act shall suffer the
23 penalty imposed under the first (1st) paragraph of Section 11 of this Act.

24 (d) Any member of the Enforcement Group in charge of the destruction shall
25 then issue a sworn certification as to the fact of destruction of the subject
26 item/s which shall be submitted to the Court having jurisdiction over the case.

27 *Provided*, That locally-sourced agricultural and fishery products subject
28 of the crimes of hoarding, profiteering, and cartel shall be donated by the

1 Council to the Katuwang sa Diwa at Gawa para sa Masaganang Ani at Mataas
2 na Kita (KADIWA) or succeeding similar program of the Department for sale in
3 its markets, the profits of which shall be used in support of its programs and
4 projects for the small farmers and fisherfolk:

5 *Provided further,* That properties used in the commission of the crimes
6 of agricultural economic sabotage such as, but not limited to, vehicles, vessels,
7 aircrafts, storage areas, warehouses, boxes, cases, trunks, and other containers
8 of whatever character confiscated, seized, or surrendered in favor of the
9 government, may be auctioned off or declared for official use by the Council,
10 with the need of the Special Team of Prosecutors and the Enforcement Group
11 as priority, subject to existing rules and regulations. The proceeds of the
12 auction of the properties shall be deposited in a special account created in the
13 name of the Council to be used as additional funding in the establishment and
14 maintenance of the Daily Price Index, the operations of the Enforcement Group,
15 monetary rewards and other incentives to informers, among others.

16 **SEC. 17. Prescription of Offenses.** – The crimes punishable under Section
17 4 of this Act shall prescribe in twenty-five (25) years.

18 **SEC. 18. Citizen's Suit/Action; Who Shall File.** – A member of the
19 agricultural sector whose agricultural and fishery products are the subject of the
20 complaint on any prohibited act under this Act, or any person who has been helping
21 said agricultural sector, may directly file a criminal complaint with the Department of
22 Justice-Special Team of Prosecutors and/or administrative complaint with the
23 appropriate government agency. The complaint shall be verified and supported with
24 affidavits and other evidence.

25 **SEC. 19. Daily Price Index.** – In support of the implementation of this Act,
26 the Agribusiness and Marketing Assistance Service (AMAS) and the Bureau of
27 Agricultural Research (BAR) of the Department are hereby mandated to establish,
28 strengthen and maintain a Daily Price Index.

1 Pursuant hereto, they are hereby empowered to seek the assistance and
2 contribution of other government agencies, which they deem essential or
3 indispensable in the successful establishment and operations of the Daily Price Index.

4 The Department shall finish this task within ninety (90) days from the effectivity
5 of this Act.

6 Failure in the implementation of this section shall render the head of concerned
7 office(s) of the Department, and the other government agencies cited herein, liable to
8 administrative and criminal prosecution in accordance with applicable laws and
9 regulations.

10 CHAPTER VI
11 FINAL PROVISIONS

12 **SEC. 20. *Transitory Provision.*** – All pending criminal complaints/cases filed
13 and/or prosecuted under Republic Act No. 10845 or the Anti-Agricultural Smuggling
14 Act of 2016 and other laws shall continue to be legally addressed under the said laws
15 until resolved with finality.

16 **SEC. 21. *Appropriations.*** — The amount of Five Hundred Million Pesos
17 (Php500,000,000.00) shall be appropriated annually under the Office of the President
18 for the implementation of this Act. The other participating agencies in this Act are
19 herein authorized to create in and augment their budget in the annual General
20 Appropriations Act (GAA) on items connected to the implementation of this Act.

21 **SEC. 22. *Implementing Rules and Regulations (IRR).*** — The Council is
22 hereby mandated to craft the IRR which shall be finished within ninety (90) days from
23 the effectivity of this Act. It shall include in its IRR the Rules of Engagement of its
24 prosecutorial and enforcement entities in the implementation of this Act.

25 **SEC. 23. *Reportorial Requirements.*** - The Anti-Agricultural Economic
26 Sabotage Council shall submit a quarterly report to the Congressional Oversight

1 Committee on Agriculture and Fisheries Modernization (COCAFAM) on the progress
2 and accomplishments made in the implementation of this Act.

3 **SEC. 24. *Separability Clause.*** — If any portion of this Act is declared
4 unconstitutional or invalid, the portions or provisions which are not affected shall
5 continue to be in full force and effect.

6 **SEC. 25. *Repealing Clause.*** — Republic Act No. 10845 is hereby repealed.
7 All laws, decrees, executive issuances, rules and regulations inconsistent with this Act
8 are hereby repealed and/or modified accordingly.

9 **SEC. 26. *Effectivity.*** — This Act shall take effect fifteen (15) days after the
10 completion of its publication in the Official Gazette or in a newspaper of general
11 circulation.

Approved,