


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

OFFICE OF THE SECRETARY

9 FEB 23 P4:57

SENATE

S. B. No. 3088

RECEIVED BY: 

---

INTRODUCED BY THE HONORABLE MAR ROXAS

---

EXPLANATORY NOTE

As stated in the Sugar Regulatory Administration (SRA) Charter, the sugar industry is a major component of the socioeconomic and political structure of the country. Sugar provides employment in the countryside, generates revenue to municipal and provincial governments, and adds to the foreign currency reserve. According to the 2004 Philippine Statistical Yearbook, sugar and its by-products contributed Php53 Billion to National Gross Domestic Product (GDP) or 1.2% of GDP in 2004. Also, data from the SRA shows that Philippine land area dedicated to sugarcane production is at 391,712 hectares. Considering that 1.3 workers are needed per hectare of sugarcane farm, aggregate direct employment in sugar production is 509,255 sugarcane workers.

All of these benefits are endangered by the entry of smuggled sugar into the domestic market. Smuggled sugar decreases customs tax collection, destabilizes domestic sugar prices, and endangers the domestic sugar industry as well as the many sugar planters in the country.

According to the Bureau of Customs, Php36 Million worth of smuggled sugar was seized in 2008 from the Manila and Subic ports, a 400 percent increase from the Php9.32 Million seized in 2007. In news reports, Sugar Regulatory Administration head Rafael Coscolluela pointed out that this figure will significantly increase if smuggled sugar seized in ports other than the two are included. Moreover, the existing Bureau of Customs policy that smuggled sugar is auctioned and sold to exporters so that it can be shipped out of the country has only enabled sugar smugglers, in collusion with unscrupulous traders, to reacquire the seized sugar and then sell it in the domestic market.

Thus, to strengthen the government's drive to put a stop to sugar smuggling, this bill grants the Sugar Regulatory Administration the power to make arrests and file charges against sugar smugglers. In addition, this bill requires that all seized sugar be placed under the custody of the Sugar Regulatory Administration. Furthermore, this bill puts a stop to the reselling of smuggled sugar by requiring the dumping of all seized smuggled sugar into the sea provided that the dumping site is approved by the Department of Environment and Natural Resources and the Bureau of Fisheries and Aquatic Resources to ensure that the ecosystem is not unduly disturbed.

In view of the foregoing, the immediate enactment of this measure is earnestly sought.

  
M A R ROXAS  
Senator

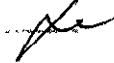
FOURTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )

OFFICE OF THE SECRETARY

9 FEB 23 P4:57

SENATE

S. B. No. 3088

RECEIVED BY 

---

INTRODUCED BY THE HONORABLE MAR ROXAS

---

AN ACT  
STRENGTHENING THE SUGAR REGULATORY ADMINISTRATION AND  
FOR OTHER PURPOSES.

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

1       SECTION 1. *Title.* - This shall be known as the "*Anti-Sugar Smuggling Act of 2009*".

2       SECTION 2. *Declaration of Policy.* - The State recognizes the danger that smuggled  
3 sugar poses to the development of our sugar industry, the welfare of our sugar planters, and  
4 the stability of our domestic sugar markets. Towards this end, it is hereby declared as a policy  
5 of the State to establish and maintain a more responsive system to ensure that our markets  
6 are free from illegally imported sugar.

7       SECTION 3. *Broadening the Scope of the Sugar Regulatory Administration.* - The  
8 Sugar Regulatory Administration is hereby tasked to ensure that the domestic sugar market is  
9 free from illegally imported or smuggled sugar.

10       SECTION 4. *Strengthening the Sugar Regulatory Administration.* - The Sugar  
11 Regulatory Administration is hereby empowered to prevent and suppress the smuggling of  
12 sugar through the execution of searches, seizures, and arrests.

13       SECTION 5. *Custody Over Smuggled Sugar.* - All confiscated smuggled sugar shall be  
14 placed under the custody of the Sugar Regulatory Administration within ten (10) days of  
15 seizure.

1           **SECTION 6. *Disposition of Smuggled Sugar.*** – All confiscated smuggled sugar shall be  
2 immediately dumped into the sea within forty (40) days of seizure; *Provided*, That the  
3 dumping site is cleared with the Department of Environment and Natural Resources and the  
4 Bureau of Fisheries and Aquatic Resources to ensure that the dumping does not bring any  
5 significant imbalance to the concerned ecosystem; *Provided further*, That the actual  
6 dumping is done in the presence of representatives from the Department of Environment  
7 and Natural Resources, Bureau of Fisheries and Aquatic Resources, Bureau of Customs, sugar  
8 industry, and other concerned parties.

9           **SECTION 7. *Penal Provision.*** – Any person convicted of smuggling or abetting the  
10 smuggling of sugar shall be imprisoned for a period of not less than fifteen (15) years but not  
11 more than thirty (30) years, and shall pay a fine of at least Php1,000,000.

12           **SECTION 8. *Without Prejudice Clause.*** – The power to execute searches, seizures,  
13 and arrests granted the Sugar Regulatory Administration by virtue of this act shall be  
14 without prejudice to existing laws, decrees, orders, rules and regulations granting the Sugar  
15 Regulatory Administration such other necessary regulatory power and functions.

16           **SECTION 9. *Separability Clause.*** – If any part, section or provision of this Act is held  
17 invalid or unconstitutional, other provisions not affected thereby shall remain in full force  
18 and effect.

19           **SECTION 10. *Repealing Clause.*** –All laws, decrees, orders, rules and regulations or  
20 other issuances inconsistent with the provisions of this Act are hereby repealed, amended or  
21 modified accordingly.

22           **SECTION 11. *Effectivity.*** – This Act shall take effect fifteen (15) days after its  
23 publication in at least two (2) newspapers of general circulation.

24

25 Approved,