

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



'13 AUG -8 P2 47

SENATE
S. No. 1253

RECEIVED BY: *[Signature]*

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

Sugar smuggling continues to be a lucrative underground business because existing laws provide a loophole for the reintroduction of confiscated smuggled sugar into the market.

According to the National Federation of Sugarcane Planters, Inc., smuggled sugar which is confiscated by the Bureau of Customs is immediately classified by the Sugar Regulatory Administration as "D" or World Market Sugar so that it can be shipped out of the country. A public auction is then conducted by the Bureau of Customs. Since the confiscated sugar is classified as "D" sugar, it is also sold at "D" or world sugar prices, which are just one-third of domestic sugar prices. The Federation states that this is where sugar smugglers are able to reacquire their wares and sell it domestically, where prices are four times of world market prices. By eliminating this loophole, we would help curb the reportedly rampant smuggling in sugar.*

res. *Miriam Defensor Santiago*
MIRIAM DEFENSOR SANTIAGO

* This bill was originally filed in the Fourteenth Congress, Second Regular Session.

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Senate
Office of the Secretary

'13 AUG -8 P2:47

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1 AN ACT
2 PROVIDING FOR THE DISPOSITION OF SMUGGLED SUGAR

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

3 SECTION 1. *Declaration of Policy.* – It is hereby declared a State policy that in no
4 instance and under no condition shall the sale or resale of confiscated smuggled sugar in the
5 custody of the Bureau of Customs be allowed.

6 SECTION 2. *Mode of Disposition.* – No other method of disposition of confiscated
7 smuggled sugar in the custody of the Bureau of Customs shall be allowed except dumping them
8 into the sea in the presence of witnesses consisting of representatives from the Sugar Regulatory
9 Administration, Sugar Industry, and other concerned parties.

10 SECTION 3. *Repealing Clause.* – All laws, decrees, orders, rules, and regulations or
11 parts thereof inconsistent with the provisions of this Act are hereby repealed, amended, or
12 modified accordingly.

13 SECTION 4. *Effectivity Clause.* – This Act shall take effect after fifteen (15) days
14 following its publication in at least two (2) newspapers of general circulation.

Approved,