



SENATE

S. No. 2432\*

(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)

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PREPARED BY THE COMMITTEES ON AGRICULTURE, FOOD  
AND AGRARIAN REFORM; JUSTICE AND HUMAN RIGHTS;  
FINANCE; AND WAYS AND MEANS WITH SENATORS  
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AN ACT DEFINING THE CRIMES OF AGRICULTURAL  
ECONOMIC SABOTAGE, PRESCRIBING PENALTIES  
THEREFOR, VESTING JURISDICTION OVER SUCH  
OFFENSES WITH THE COURT OF TAX APPEALS,  
PROVIDING MECHANISMS FOR ITS IMPLEMENTATION  
AND ENFORCEMENT, REPEALING FOR THE PURPOSE  
REPUBLIC ACT NO. 10845 OR THE "ANTI-AGRICULTURAL  
SMUGGLING ACT OF 2016"

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

1

CHAPTER I

2

PRELIMINARY PROVISIONS



1           The State, therefore, shall impose severe sanctions on  
2 the nefarious acts of smuggling, hoarding, profiteering, and  
3 cartel of agricultural and fishery products as a self-  
4 preservation measure to shield itself from the  
5 manipulative scheme of economic saboteurs, protect the  
6 livelihood of our farmers, plug leakages in tax and duty  
7 collection on these products, protect the State from tax  
8 evaders and non-payors of duties, and ensure the well-  
9 being of agricultural and fishery producers, the welfare of  
10 the consumers, and the soundness of the economy as a  
11 whole.

12           SEC. 3. *Definition of Terms.* – For purposes of this  
13 Act, the following terms are hereby defined as follows:

14           (a) *Abnormal Situation* refers to supply shortage or  
15 unreasonable increase in prices of agricultural and fishery  
16 products. It may pertain to only one agricultural or fishery  
17 product;

18           (b) *Broker* refers to any person who acts as such,  
19 whether licensed or not, whose services consist of any of

1 the following: consultation, preparation of customs  
2 requisite document for imports and exports, declaration of  
3 customs duties and taxes, preparation, signing, filing,  
4 lodging and processing of import entries; facilitator; agent  
5 representing importers before any government agency and  
6 private entities, and rendering of other services in matters  
7 relating to customs and tariff laws, its procedures and  
8 practices.

9 The term "broker" shall exclude lawyers and  
10 accountants acting as independent legal professionals in  
11 relation to information concerning their clients or where  
12 disclosure of information would compromise client  
13 confidence or the attorney-client relationship: *Provided,*  
14 That these lawyers and accountants are authorized to  
15 practice in the Philippines and shall continue to be subject  
16 to the provisions of their respective codes of conduct and/or  
17 professional responsibility or any of its amendments;

18 (c) *Constructive Custody* refers to the authority of  
19 the Enforcement Group (under Section 18 of this Act) to

1 restrict or prevent the movement or removal of agricultural  
2 or fishery products from the place of discovery or storage  
3 that are suspected of being the subject of smuggling,  
4 hoarding, profiteering, or cartel during the twenty-four  
5 (24)-hour period for the owner or possessor of the said  
6 products to show proof of compliance or non-violation of  
7 this Act;

8 (d) *Daily Price Index (DPI)* refers to a system of  
9 monitoring and publishing/broadcasting the prevailing  
10 retail prices of agricultural and fishery products in all  
11 regions of the country on a day to day basis;

12 (e) *Economic Sabotage* in agriculture refers to any  
13 act or activity that disrupts the economy by creating  
14 artificial shortage, promoting excessive importation,  
15 manipulating prices and supply, evading payment or  
16 underpaying tariffs and customs duties, threatening local  
17 production and food security, gaining excessive or  
18 exorbitant profits by exploiting situations, creating

1 scarcity, and entering into agreements that defeat fair  
2 competition to the prejudice of the public;

3 (f) *Import Clearance* refers to a written certificate  
4 issued by the concerned regulatory agency stating the  
5 volume, classification, and quality of the imported product.  
6 This includes the minimum access volume (MAV) import  
7 certificate, import permit, Sanitary and Phytosanitary  
8 (SPS) Import Clearance, Clearance for Release of Imported  
9 Sugar, or any other equivalent document issued for the  
10 importation of agricultural and fishery products;

11 (g) *Importation* refers to the act of bringing in goods  
12 from a foreign territory into the Philippine territory,  
13 whether for consumption, warehousing, or admission as  
14 defined in Republic Act No. 10863 or the "Customs  
15 Modernization and Tariff Act (CMTA)";

16 (h) *Person* refers to a natural or juridical person;

17 (i) *Sanitary and Phytosanitary (SPS) Measures* refer  
18 to any legislation, regulation, requirement, or procedure  
19 applied for the purpose of (1) protecting animal or plant life

1 or health within the territory of the Philippines from risks  
2 arising from the entry, establishment or spread of pests,  
3 diseases, disease-carrying organisms or disease-causing  
4 organisms; (2) protecting human or animal life or health  
5 from risks arising from additives, contaminants, toxins or  
6 disease-causing organisms in agricultural imported  
7 products; (3) protecting human life or health from risks  
8 arising from diseases carried by animals, plants or  
9 products thereof, or from the entry, establishment or  
10 spread of pests; or (4) preventing or limiting other damage  
11 within the territory of the Philippines from the entry,  
12 establishment or spread of pests;

13 (j) *Simple Process of Preparation or Preservation of*  
14 *an Agricultural and Fishery Product for the Market* refers  
15 to the process of handling agricultural and fishery products  
16 in its original state through freezing, drying, salting,  
17 broiling, roasting, smoking, or stripping;

18 (k) *SPS Import Clearance* refers to the document  
19 issued prior to importation by the concerned bureau or

1 agency to ensure that the products being imported meet  
2 the standards to protect human, animal, or plant life or  
3 health, ensuring that the agricultural or fishery products  
4 are safe for consumers and to prevent the spread of pests  
5 or diseases among animals or plants. Such document also  
6 prescribes the conditions to be complied with by the  
7 importer for the maintenance of quality and suitability of  
8 the product for the intended purpose;

9 (l) *Tobacco* refers to unmanufactured and  
10 manufactured tobacco, including finished products such as  
11 cigars, cigarettes, or heated tobacco products.

12 *Unmanufactured tobacco* refers to agricultural  
13 components derived from the tobacco plant, which are  
14 processed for use in the manufacturing of cigarettes and  
15 other tobacco products.

16 *Manufactured tobacco* refers to any finished product  
17 that contains tobacco such as cigarettes, cigars, heated  
18 tobacco products or any product containing tobacco that is  
19 intended for smoking, heating, puffing, oral or nasal use.



1           For purposes of this Act, smuggled tobacco is one  
2 that:

3           (1) Is not compliant with the prevailing processes  
4 and requirements of the Bureau of Internal Revenue (BIR)  
5 and/or other relevant regulatory agencies for the  
6 importation of tobacco products such as, but not limited to,  
7 the following and/or their equivalent as provided by law:

8           (i) Registration of the particular variant and brand  
9 to be imported with the BIR;

10          (ii) Pre-approval of packaging bearing the required  
11 Graphic Health Warning and other mandated fiscal  
12 markings for imported tobacco products; and

13          (iii) Advanced payment of excise taxes and affixation  
14 of genuine required tax stamp or marking as proof of  
15 payment; and

16          (2) Is misdeclared, misclassified and/or undervalued  
17 resulting in the non-payment of the proper customs duties.

1           The sale of tobacco products at a price thirty percent  
2 (30%) below the DPI shall raise the presumption that acts  
3 of smuggling have been committed;

4           (m) *Trade Regulatory Agencies* refer to the Bureau of  
5 Plant Industry (BPI), Bureau of Animal Industry (BAI),  
6 Bureau of Fisheries and Aquatic Resources (BFAR),  
7 National Meat Inspection Service (NMIS), National  
8 Tobacco Administration (NTA), and Sugar Regulatory  
9 Administration (SRA); and

10          (n) *Value* refers to the retail prices of agricultural  
11 and fishery products as set by the DPI multiplied by the  
12 quantity of the product at the time of the commission of the  
13 crime. For manufactured tobacco, the retail price shall be  
14 inclusive of excise tax and value-added tax (VAT).

15          SEC. 4. *Covered Agricultural and Fishery Products.* –  
16 The following agricultural and fishery products are covered  
17 under this Act: rice, corn, beef and other ruminants, pork,  
18 poultry, garlic, onion, carrots, other vegetables, fruits, fish,  
19 salt and other aquatic products, in their raw state or which

1 have undergone the simple process of preparation or  
2 preservation for the market within the primary and post-  
3 harvest stages of the food supply chain, palm oil, palm  
4 olein, raw and refined sugar, and tobacco.

5       SEC. 5. *Daily Price Index (DPI)*. – In support of the  
6 implementation of this Act, the Agribusiness and  
7 Marketing Assistance Service (AMAS) and the Bureau of  
8 Agricultural Research (BAR) of the Department of  
9 Agriculture (DA) are hereby mandated to establish,  
10 strengthen and maintain a DPI.

11       The DA shall finish this task within ninety (90) days  
12 from the effectivity of this Act.

13       Failure in the implementation of this section shall  
14 render the head of the concerned office(s) of the DA liable  
15 to administrative and criminal prosecution in accordance  
16 with applicable laws and regulations.

17       The Department of Budget and Management (DBM)  
18 shall allocate the funding necessary for the  
19 implementation of the DPI.

1           SEC. 6. *Registration and Reportorial Requirements.* –

2   Upon effectivity of this Act, all persons engaged in the  
3   business involving agricultural and fishery products shall  
4   maintain records of their business and safely store them  
5   for five (5) years from the dates of transactions.

6           All persons with warehouses, cold storage facilities or  
7   any property involved in the storage of agricultural and  
8   fishery products, whether owned or leased or maintained  
9   through third persons, shall, upon effectivity of this Act,  
10   register these storage facilities with the appropriate  
11   regulatory agencies, stating therein:

12           (a) The name of the owner of the facility or facilities;

13           (b) The contractual arrangement, if applicable, for  
14   the use of the facility or facilities (whether leased or other  
15   arrangements);

16           (c) The complete address of the facility or facilities;

17           (d) The agricultural and fishery product being stored  
18   in said facility or facilities;

1           (e) The maximum storage capacity of the facility or  
2 facilities for a particular product or products in bags, sacks  
3 or kilos; and

4           (f) The inventory of any agricultural product in the  
5 facility or facilities at any given time.

6           They shall prepare a monthly report of the operations  
7 of said facility or facilities, which shall include an  
8 inventory of any agricultural product in the facility or  
9 facilities at any given time, which shall be electronically  
10 submitted quarterly to the Council (under Section 15 of  
11 this Act) through the regulatory agency.

12           Any person being investigated under this Act who fails to  
13 produce documents and/or records as required to be  
14 acquired or maintained by this Act, or applicable laws, or  
15 rules and regulations in connection to their business  
16 transaction, or fails to produce a copy of an updated report  
17 of the operations of the facility or facilities as submitted to  
18 the Council through the regulatory agency, upon demand  
19 by any member or a combination of members of the

1 Enforcement Group, shall constitute a *prima facie* evidence  
2 of violation of any of the crimes punishable under this Act:  
3 *Provided*, That the collection, storage, utilization, and  
4 transmission of such record submitted to the Council shall  
5 be in accordance with Republic Act No. 10173 or the “Data  
6 Privacy Act of 2012”.

7 CHAPTER III  
8 ECONOMIC SABOTAGE

9 SEC. 7. *Agricultural Smuggling as Economic*  
10 *Sabotage.* – Smuggling is the fraudulent act of importing or  
11 bringing into the country agricultural and fishery products,  
12 or the act of assisting in receiving, concealing, buying,  
13 selling, disposing, storing or transporting such products,  
14 with full knowledge that the same have been fraudulently  
15 imported.

16 The crime of agricultural smuggling as economic  
17 sabotage is committed when the value of each, or a  
18 combination of, agricultural and fishery products smuggled  
19 by a person is at least Three million pesos (P3,000,000.00)

1 computed using the DPI, at the time the crime was  
2 committed.

3 Agricultural smuggling as used in this Act shall be  
4 committed through any of the following acts:

5 (a) Importing or bringing into the Philippines  
6 agricultural and fishery products without the required  
7 import clearance from the regulatory agencies;

8 (b) Using import clearance of persons other than  
9 those specifically named in the permit;

10 (c) Using fake, false, fictitious or fraudulent import  
11 clearance, shipping documents or any other transport  
12 documentation;

13 (d) Selling, lending, leasing, assigning, consenting to  
14 or allowing the use of import clearance of corporations,  
15 nongovernment organizations, associations, cooperatives,  
16 partnerships, or single proprietorships by other persons;

17 (e) Misclassification, undervaluation or misdeclaration  
18 upon the filing of import entry declaration or transport  
19 documentation with the Bureau of Customs (BOC) in order to

1 evade the payment of correct taxes and duties due the  
2 government;

3 (f) Organizing or using dummy corporations,  
4 nongovernment organizations, associations, cooperatives,  
5 partnerships, or single proprietorships for the purpose of  
6 acquiring import clearance;

7 (g) Knowingly transporting or storing smuggled  
8 agricultural and fishery products;

9 (h) Acting as a broker of the importer; or

10 (i) Allowing the use of a private port, fish port, fish  
11 landing site, resort, and/or airport to perpetrate economic  
12 sabotage.

13 The Enforcement Group, on the strength of a letter of  
14 authority (LOA) issued by the Council, shall have the  
15 authority to visit areas where the agricultural and fishery  
16 products are located, for the purpose of ensuring  
17 compliance with this Act and other relevant laws  
18 concerning the importation, storage, and/or sale of  
19 agricultural and fishery products. The Enforcement Group



1 shall give due notice to the relevant persons, who may be  
2 the owner, possessor, or person exercising control over the  
3 agricultural and fishery products, to provide proof of  
4 compliance with this Act, particularly import documents  
5 and proof of payment of duties and taxes in the case of  
6 importers, and purchase receipts from suppliers in the case  
7 of business establishments other than importers, within  
8 twenty-four (24) hours, pending which the goods shall be  
9 placed in the constructive custody of the Enforcement  
10 Group.

11 In the event that the relevant person fails to  
12 produce such evidence of compliance within twenty-four  
13 (24) hours, the Enforcement Group shall immediately  
14 apply for a seizure order and file the relevant case or  
15 criminal action in court. Pending the issuance or denial of  
16 the seizure order, the subject goods shall remain in  
17 constructive custody.

18 The mere possession or presence of any agricultural  
19 and fishery products which have been the subject of

1 smuggling referred to in this Act in any fish port, fish  
2 landing site, resort, airport, BOC-controlled port, or any  
3 warehouse, cold storage, vessel, transport conveyance, and  
4 other storage areas shall constitute *prima facie* evidence of  
5 agricultural smuggling as economic sabotage.

6 Any provision of the Customs Modernization and  
7 Tariff Act to the contrary notwithstanding:

8 (a) The lodging of provisional goods declaration and  
9 amendment of goods declaration of agricultural and fishery  
10 products subject of this Act are hereby disallowed;

11 (b) The assessment of duties and taxes of the  
12 agricultural and fishery products shall be based on the  
13 classification entered in the import entry declaration;

14 (c) The assessment and readjustment of appraisal of  
15 the agricultural and fishery products subject of this Act,  
16 insofar as allowing the BOC to adjust and settle the final  
17 assessment, are hereby disallowed; and

1 (d) The Trade Regulatory Agencies are hereby  
2 empowered to declare misclassification and misdeclaration,  
3 as found in violation of the import clearance.

4 SEC. 7A. *Implementation of the National Single*  
5 *Window (NSW)*. – The BOC and all Trade Regulatory  
6 Agencies shall fully implement the NSW program as  
7 originally mandated in Executive Order No. 482, series of  
8 2005, within ninety (90) days from the effectivity of this  
9 Act.

10 Upon the effectivity of this Act and until the full  
11 implementation of the NSW, the BOC and Trade  
12 Regulatory Agencies concerned shall immediately, after  
13 approval of import application and receipt of notice of  
14 arrival, furnish the Council, in accordance with the  
15 objectives of this Act, electronic copies of the following:

16 (a) All import applications containing relevant  
17 information of the importer(s), consignee(s), and broker(s);

18 (b) All import orders and import clearances;

1 (c) Name and other relevant information of the  
2 foreign exporter(s);

3 (d) All certificates issued in the country of origin  
4 proving compliance with the conditions set in the import  
5 clearance;

6 (e) Other equivalent documents issued to or  
7 submitted by importers of agricultural and fishery  
8 products; and

9 (f) Such other relevant documents as may be  
10 required by the Council pursuant to the implementation of  
11 this Act.

12 Failure to implement the NSW and/or furnish the  
13 Council with the above enumerated documents shall  
14 render the head of the concerned office of the BOC and  
15 Trade Regulatory Agencies subject to administrative and  
16 criminal prosecution in accordance with applicable laws  
17 and regulations.

18 SEC. 8. *Agricultural Hoarding as Economic Sabotage.* –  
19 Agricultural hoarding as economic sabotage is committed

1 by a person or combination of persons by having stocks of  
2 agricultural and fishery products in excess of thirty  
3 percent (30%) of their normal inventory level two (2) weeks  
4 after the declaration of an abnormal situation by the  
5 Council, or an emergency or state of calamity declared by  
6 competent authority.

7       Upon the declaration of an abnormal situation by the  
8 Council, or an emergency or state of calamity declared by  
9 competent authority, all persons shall sell to the public  
10 their stocks of agricultural and fishery products in excess  
11 of their normal inventory level within two (2) weeks from  
12 the said declaration.

13       After two (2) weeks of said declaration, the  
14 Enforcement Group, on the strength of a LOA issued by  
15 the Council, shall have the authority to visit areas where  
16 the agricultural and fishery products are located, for the  
17 purpose of ensuring compliance with this Act and other  
18 relevant laws concerning the sale of agricultural and  
19 fishery products to the general public. The Enforcement

1 Group shall give due notice to the relevant persons, who  
2 may be the owner, possessor, or person exercising control  
3 over the agricultural and fishery products, to provide proof  
4 of compliance with this Act, particularly documentary  
5 proof that stocks are within normal inventory level or final  
6 contracts of sale covering existing stocks, within twenty-  
7 four (24) hours, pending which the goods shall be placed in  
8 the constructive custody of the Enforcement Group.

9 In the event that the relevant person fails to produce  
10 such evidence of compliance within twenty-four (24) hours,  
11 the Enforcement Group shall immediately apply for a  
12 seizure order and file the relevant case or criminal action  
13 in court. Pending the issuance or denial of the seizure  
14 order, the subject goods shall remain in constructive  
15 custody.

16 In cases where the business has been in existence for  
17 more than a year, the normal inventory level shall be the  
18 average inventory of the twenty-four (24)-month period  
19 preceding the declaration by the Council of an abnormal

1 situation, or emergency or state of calamity declared by  
2 competent authority; otherwise, normal inventory level  
3 shall be the average of the months from the start of the  
4 business.

5       SEC. 9. *Agricultural Profiteering as Economic*  
6 *Sabotage.* – Agricultural profiteering as economic sabotage  
7 is the sale or offering for sale of each agricultural and  
8 fishery products at a price at least ten percent (10%) in  
9 excess of the DPI, at the time of the declaration of an  
10 abnormal situation by the Council, or emergency or state of  
11 calamity declared by competent authority.

12       Profiteering shall not apply to retailers who  
13 purchase goods from wholesalers, importers or producers,  
14 and directly sell in smaller quantities to the general public,  
15 usually in wet markets, *talipapa* and cooperative stores  
16 with the capitalization not to exceed Two hundred  
17 thousand pesos (P200,000.00), and farmers and fisherfolks  
18 selling their own harvest, produce or catch.

1           There shall also be *prima facie* evidence of  
2 profiteering whenever a product is being sold or offered for  
3 sale at a price thirty percent (30%) in excess of the DPI at  
4 the time of said declaration.

5           Profiteering shall not apply to price increases set by  
6 manufacturers of tobacco as a consequence of mandated  
7 excise tax increases in accordance with law.

8           The Enforcement Group, on the strength of a LOA  
9 issued by the Council, shall have the authority to visit  
10 areas where the agricultural and fishery products  
11 suspected to be the subject of profiteering are located and  
12 shall give due notice to the relevant persons, who may be  
13 the owner, possessor, or person exercising control over the  
14 agricultural and fishery products to provide justification  
15 for the unreasonable price increase, such as cost of  
16 acquisition and sales receipts, within twenty-four (24)  
17 hours, pending which the products shall be placed in the  
18 constructive custody of the Enforcement Group.



1           In the event that the relevant person fails to  
2 provide justifiable reasons within twenty-four (24) hours  
3 for the unreasonable price increase, the Enforcement  
4 Group shall immediately apply for a seizure order and file  
5 the relevant case or criminal action in court. Pending the  
6 issuance or denial of the seizure order, the subject goods  
7 shall remain in constructive custody.

8           SEC. 10. *Engaging in Cartel as Economic Sabotage.* –  
9 There shall be *prima facie* engagement in cartel as  
10 economic sabotage through any agreement between two (2)  
11 or more persons competing for the same market and  
12 dealing in the same agricultural and fishery products to  
13 perform uniform, simultaneous, or complementary acts  
14 among themselves and actually perform such acts designed  
15 to artificially and unreasonably increase or manipulate the  
16 supply or prices of such products, thereby stifling  
17 competition, as defined in Section 14 of Republic Act No.  
18 10667 or the “Philippine Competition Act”, to the  
19 detriment of consumers, or the decrease in farmgate prices  
20 to the detriment of the agricultural and fishery producers:

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

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

9           The Enforcement Group, on the strength of a LOA  
10 issued by the Council, shall have the authority to visit  
11 areas where the agricultural and fishery products  
12 suspected to be the subject of cartel are located and shall  
13 give due notice to the relevant persons, who may be  
14 persons suspected of engaging in cartel to provide  
15 justification within twenty-four (24) hours for the  
16 unreasonable increase of prices or manipulation of supply  
17 or prices of said products, such as cost of acquisition and  
18 sales receipts, or documentary proof that stocks are within  
19 normal inventory level or final contracts of sale covering

1 existing stocks, whichever is applicable under the  
2 circumstances, pending which the products shall be placed  
3 in the constructive custody of the Enforcement Group.

4 In the event that the relevant persons fail to provide  
5 justifiable reasons within twenty-four (24) hours for the  
6 unreasonable increase of prices or manipulation of supply  
7 or prices, the products shall remain in constructive custody  
8 and shall be the subject of a criminal action to be filed  
9 against the violators.

10 CHAPTER IV  
11 OTHER PROHIBITED ACTS

12 SEC. 11. *Financing Agricultural Economic Sabotage*  
13 *Crimes.* – Any person who directly or indirectly, willfully  
14 and without lawful excuse, possesses, provides, collects,  
15 uses, or makes available property, funds, financial service  
16 or other related services, or funds the creation of dummy or  
17 fictitious entities, with the willful intention that they  
18 should be used, in full or in part, to carry out or facilitate  
19 the commission of any of the crimes of agricultural

1 economic sabotage shall suffer the penalty provided under  
2 Section 14(b) of this Act.

3       SEC. 12. *Use of Government Storage Facilities.* – Cold  
4 storages, warehouses and similar facilities intended for  
5 agricultural and fishery products granted by the  
6 government to cooperatives and associations shall  
7 exclusively be used by their farmers and fisherfolk  
8 members. Renting out to or allowing the use in any way by  
9 non-members, such as traders and other private  
10 businesses, is prohibited and will cause the revocation of  
11 the grant. The government shall then immediately  
12 repossess the storage facility, and the erring cooperatives  
13 and associations shall be perpetually disqualified from  
14 being granted storage facilities by the government.

15       SEC. 13. *Violations of the Enforcement Group.* – It  
16 shall be a crime for any employee of any member of the  
17 Enforcement Group to commit any of the following acts,  
18 which shall be penalized under Section 14(f) of this Act:

19       (a) Extortion or willful oppression under color of law;

1           (b) Knowingly demanding other documents or records  
2 that are irrelevant to the case at hand or unjustifiably  
3 extending the constructive custody of the goods;

4           (c) Failing to report knowledge or information to  
5 their superior officer about the commission of an act or acts  
6 punishable under this Act;

7           (d) Accepting or attempting to collect, directly or  
8 indirectly, any sum of money or other thing of value for the  
9 compromise adjustment or settlement of any charge or  
10 complaint for any violation of this Act; and

11           (e) Unlawfully disclosing confidential information  
12 gained during any investigation or audit, or using such  
13 information for personal gain or to the detriment of the  
14 government or third parties.

15   CHAPTER V  
16   PENAL PROVISIONS

17           SEC. 14. *Penalties.* –

18           (a) The penalty of life imprisonment and a fine of  
19 thrice the value of the agricultural and fishery products

1 subject of the crime shall be imposed on any person who  
2 commits any of the acts enumerated under Sections 7, 8, 9  
3 and 10 of this Act, except Sections 7(g) and (i), which shall  
4 be penalized under subparagraphs (c) and (d) of this  
5 section.

6 (b) The penalty of life imprisonment shall be imposed  
7 on any violation under Section 11 of this Act.

8 (c) The penalty of imprisonment of not less than  
9 twenty (20) years but not more than thirty (30) years and a  
10 fine of twice the value of the agricultural and fishery  
11 products subject of the crime shall be imposed on the  
12 following:

13 (1) The registered owner and its lessee or charterer,  
14 in case of lease, of a chartered boat or motorized  
15 commercial vessel, who transports the agricultural and  
16 fishery products subject of the crime;

17 (2) The registered owner and its lessee, in case of  
18 lease, of trucks, vans, and other means of transportation,

1 who transports agricultural and fishery products subject of  
2 the crime;

3 (3) The registered owner and lessee of a warehouse,  
4 cold storage, facility, or any property, who stores the  
5 agricultural and fishery products subject of the crime; or

6 (4) The registered owner, lessee, president or chief  
7 executive officer of the private port, fish port, fish landing  
8 sites, resorts, and airports who allows the entry of  
9 agricultural and fishery products subject of the crime  
10 within their facilities.

11 (d) The penalty of imprisonment of not less than two  
12 (2) years but not more than four (4) years shall be imposed  
13 on drivers, warehouse men, truck helpers, clerks and  
14 similar personnel who knowingly participated in the  
15 commission of the crime.

16 (e) Notwithstanding the penalties on government  
17 employees in the succeeding subparagraph (f) of this  
18 section, every officer, agent, or employee of any member of  
19 the Enforcement Group who shall be found guilty of

1 committing any of the particular acts described in the  
2 preceding Section 13 of this Act shall be penalized with  
3 imprisonment of not less than six (6) years but not more  
4 than twelve (12) years, and perpetual disqualification to  
5 hold public office, from exercising the right to vote and to  
6 participate in any public election and a fine of not less than  
7 Five hundred thousand pesos (P500,000.00), but not more  
8 than One million pesos (P1,000,000.00).

9 All the benefits due from service in the government,  
10 including the separation and retirement benefits, of the  
11 officer, agent, or employee found guilty of the foregoing  
12 violations shall likewise be forfeited; and

13 (f) If a government officer or employee is the offender  
14 of any of the crimes as economic sabotage, or knowingly  
15 abets or aids in the commission of the crime, or prevents  
16 the filing of a case or its prosecution, or prevents the actual  
17 arrest of the suspect, or commits any of the corrupt  
18 practices under Section 3 of Republic Act No. 3019 or the  
19 "Anti-Graft and Corrupt Practices Act", for the purpose of



1 facilitating agricultural economic sabotage, the penalty  
2 shall be as provided in subparagraph (a) of this section  
3 without entitlement to commutation of sentence, and shall  
4 suffer the additional penalties of perpetual disqualification  
5 from holding public office, exercising the right to vote, from  
6 participating in any public election, and forfeiture of  
7 employment monetary and financial benefits. Direct  
8 pecuniary or material benefit is not necessary to prove that  
9 a government officer or employee has knowingly aided and  
10 abetted the commission of the crime:

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

16 *Provided, further*, That the agricultural and fishery  
17 products subject of the prohibited acts and the properties  
18 used in the commission of the crimes of agricultural  
19 economic sabotage such as, but not limited to, vehicles,

1 vessels, aircrafts, storage areas, warehouses, boxes, cases,  
2 trunks, and other containers of whatever character used as  
3 receptacle of agricultural and fishery products shall be  
4 confiscated in favor of the government, subject to Section  
5 19 of this Act:

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

9 CHAPTER VI  
10 IMPLEMENTING BODIES

11 SEC. 15. *Anti-Agricultural Economic Sabotage*  
12 *Council.* – The Anti-Agricultural Economic Sabotage  
13 Council, herein referred to as the Council, is hereby  
14 created under and to be chaired by the President or the  
15 designated permanent representative. It shall have the  
16 following members:

17 (a) Department of Agriculture (DA);

18 (b) Department of Justice (DOJ);

19 (c) Department of Finance (DOF);

1 (d) Department of the Interior and Local Government  
2 (DILG);

3 (e) Department of Transportation (DOTr);

4 (f) Department of Trade and Industry (DTI);

5 (g) Anti-Money Laundering Council (AMLC);

6 (h) Philippine Competition Commission (PCC); and

7 (i) One representative each of the following  
8 agricultural sectors, whose membership shall be  
9 nationwide:

10 (1) Sugar;

11 (2) Rice;

12 (3) Corn;

13 (4) Livestock and Poultry;

14 (5) Vegetables and Fruits;

15 (6) Fisheries and other aquatic products; and

16 (7) Tobacco:

1           *Provided*, That the representatives of the member  
2 agencies shall be at least an undersecretary level:

3           *Provided, further*, That the sector representative  
4 shall be chosen by the President of the Philippines from a  
5 list of three (3) nominees submitted by the sector, and shall  
6 serve for a fixed term of three (3) years unless earlier  
7 replaced by the President upon recommendation of the  
8 sector: *Provided, further*, That the sector representatives  
9 must have prior experience or knowledge in pricing or  
10 trading agricultural and fisheries products: *Provided,*  
11 *further*, That the appointed sectoral representative shall  
12 continue to hold office after the expiration of the term until  
13 a successor is appointed:

14           *Provided, furthermore*, That one-third of the  
15 members, with the chair or a designated permanent  
16 representative present, shall constitute a quorum:

17           *Provided, finally*, That members of the Council shall  
18 be duly notified of any meeting at least three (3) days prior  
19 to the scheduled meeting.

1           SEC. 16. *Powers and Functions of the Anti-*  
2 *Agricultural Economic Sabotage Council.* – The Council  
3 shall have the following powers and functions:

4           (a) Ensure the proper and effective implementation of  
5 the provisions of this Act;

6           (b) Coordinate the preparation of appropriate and  
7 effective measures to prevent and suppress the prohibited  
8 acts defined in this Act;

9           (c) Establish a mechanism of information sharing  
10 among concerned agencies provided that confidential  
11 information shall be retained within the Council so as to  
12 protect and preserve the operational integrity of the  
13 Council and its prosecutorial and enforcement bodies;

14           (d) Establish a comprehensive tracking and tracing  
15 system to oversee the value chain of agricultural  
16 commodities and collect and report real-time data on  
17 production, processing, transportation, storage, sale,  
18 import, and export documentation;

1           (e) Direct the speedy investigation and prosecution of  
2 all persons accused or detained for the crimes punishable  
3 under this Act, and monitor the progress of their cases;

4           (f) Coordinate and enlist the assistance of any  
5 branch, department, bureau, office, agency, or  
6 instrumentality of government, including government-  
7 owned and -controlled corporations, and local government  
8 units (LGUs), as well as the business sector and  
9 nongovernment organizations, in the implementation of  
10 this Act;

11           (g) Deputize other law enforcement agencies to  
12 further assist the Enforcement Group;

13           (h) Exercise visitation and inspection powers by  
14 issuing LOA authorizing any member or a combination of  
15 members of the Enforcement Group to verify compliance  
16 with this Act and other relevant laws concerning the  
17 importation, purchase, storage, and sale of the relevant  
18 agricultural and fishery products;

1           (i) Notwithstanding existing laws to the contrary,  
2 authorize, supervise and direct the visitation and  
3 inspection by any member or a combination of members of  
4 the Enforcement Group, as established under the Rules of  
5 Engagement and pursuant to the regulatory powers of  
6 each concerned agency, of areas where agricultural and  
7 fishery products covered by this Act are stored or kept;

8           (j) Formulate the Rules of Engagement of the  
9 Enforcement Group, within sixty (60) days from the  
10 effectivity of this Act;

11          (k) Determine and declare the existence of an  
12 abnormal situation in the agricultural and fishery  
13 products under Sections 8 and 9 of this Act;

14          (l) Facilitate international cooperation on  
15 intelligence, investigation, training and capacity-building  
16 related to agricultural smuggling prevention, suppression  
17 and prosecution;

18          (m) Hold in custody and dispose of confiscated, seized  
19 and/or surrendered agricultural and fishery products

1 subject of the crimes of economic sabotage and properties  
2 used in the commission of the crime of economic sabotage;

3 (n) Grant monetary rewards and other incentives to  
4 informers who give vital information leading to the  
5 investigation, apprehension, arrest, detention,  
6 prosecution, and conviction of person or persons who are  
7 liable for the crimes punishable under this Act;

8 (o) Establish mechanisms to compensate persons  
9 whose agricultural and fishery products and properties  
10 have been subject of wrongful or illegal seizure,  
11 confiscation, destruction or disposal: *Provided*, That the  
12 compensation shall include the actual value of the  
13 agricultural and fishery products and properties at the  
14 time of seizure, confiscation, destruction or disposal, and  
15 the earnings lost by reason of wrongful or illegal seizure,  
16 confiscation, destruction or disposal as may be determined  
17 by the Court of Tax Appeals;

18 (p) Create a permanent Secretariat, define its  
19 functions, and constitute its staff complement, set their



1 salaries and other emoluments, majority of whom shall be  
2 selected from the different member agencies of the  
3 Council with individual expertise appropriate to the needs  
4 of the Council, consistent with civil service laws, rules and  
5 regulations; and

6 (q) Perform all other powers and functions related to  
7 the efficient and effective prevention and suppression of  
8 the acts herein prohibited.

9 SEC. 17. *Special Team of Prosecutors.* – To assist the  
10 Council in the expeditious prosecution of criminal cases  
11 covered under this Act, the Secretary of the DOJ is hereby  
12 mandated to constitute a special team of prosecutors all  
13 over the country, which shall have the following powers  
14 and duties, among others:

15 (a) Evaluate evidence gathered and submitted by the  
16 Enforcement Group to determine whether or not any  
17 provision of this Act is violated;

18 (b) Act on criminal complaints under this Act directly  
19 filed by persons under Section 21 of this Act, which may be

1 consolidated with similar complaints filed by the  
2 Enforcement Group; and

3 (c) Initiate and conduct preliminary investigation  
4 and timely file and prosecute the appropriate criminal  
5 charges against the person/s responsible for the crimes of  
6 smuggling, hoarding, profiteering, and cartel as economic  
7 sabotage and other prohibited acts under this Act.

8 SEC. 18. *Anti-Agricultural Economic Sabotage*  
9 *Enforcement Group.* – To assist the Council, the Anti-  
10 Agricultural Economic Sabotage Enforcement Group,  
11 herein referred to as the Enforcement Group, is hereby  
12 created. It shall be composed of the following agencies:

13 (a) National Bureau of Investigation (NBI);

14 (b) Philippine National Police (PNP);

15 (c) Philippine Coast Guard (PCG);

16 (d) Philippine Ports Authority (PPA);

17 (e) Bureau of Fisheries and Aquatic Resources  
18 (BFAR);

- 1 (f) DA-Inspectorate and Enforcement (DA-I&E);  
2 (g) Bureau of Plant Industry (BPI);  
3 (h) Bureau of Animal Industry (BAI);  
4 (i) National Meat Inspection Service (NMIS);  
5 (j) Sugar Regulatory Administration (SRA);  
6 (k) National Tobacco Administration (NTA);  
7 (l) Bureau of Customs (BOC);  
8 (m) Bureau of Internal Revenue (BIR); and  
9 (n) Representative(s) from the concerned agricultural  
10 sector as enumerated in the Council and whose  
11 participation shall be defined by the Council.

12 The Enforcement Group, in addition to each agency's  
13 existing regulatory powers, shall have the following powers  
14 and functions:

- 15 (a) Subject to the Rules of Engagement of the  
16 Enforcement Group, notify the Council of any visitation or  
17 inspection it will conduct on any establishment and secure  
18 the necessary LOA;

1           (b) Subject to the Rules of Engagement of the  
2 Enforcement Group, notify the Council of any court-  
3 approved warrant to search, seize or arrest on any  
4 violation of this Act or existing regulations;

5           (c) Visit and inspect at any time, vessels, vehicle,  
6 aircraft, land, enclosure, warehouses, cold storages, store,  
7 building or structure not principally used as a dwelling  
8 house and other storage areas where agricultural and  
9 fishery products and properties are stored or kept or sold,  
10 as authorized by the Council through a duly issued LOA, to  
11 determine compliance with this Act and other relevant  
12 laws relating to the transport, storage, distribution or sale  
13 of said agricultural and fishery products: *Provided*, That  
14 when a security personnel or any other employee lives in  
15 the warehouse, store or any building, structure or  
16 enclosure that is used for storage of goods, it shall not be  
17 considered as a dwelling house for purposes of this Act;

18           (d) Immediately perform any and all acts pursuant to  
19 the implementation of this Act or existing laws and

1 regulations, including, among others, taking into  
2 constructive custody agricultural and fishery products;

3 (e) Render a report to the Council within forty-eight  
4 (48) hours from the visitation or inspection conducted or  
5 service of judicial warrant;

6 (f) Apply for judicial warrant before the Court of Tax  
7 Appeals: *Provided*, That in areas outside Luzon, judicial  
8 warrants shall be applied before any regional trial court;  
9 and

10 (g) Effect search, seizure, and arrest warrants and  
11 file criminal and administrative cases before the  
12 prosecutor and appropriate agencies.

## 13 CHAPTER VII

### 14 ADMINISTRATIVE AND JUDICIAL PROCEDURES

15 SEC. 19. *Custody of Confiscated, Seized or*  
16 *Surrendered Products and Properties in the Agricultural*  
17 *Crimes as Economic Sabotage and Other Prohibited Acts;*  
18 *Destruction of Smuggled Products; Disposition or Donation*  
19 *of Locally Sourced Products.* – The Council shall take

1 charge and have custody of all confiscated, seized or  
2 surrendered agricultural and fishery products subject of  
3 the crimes of economic sabotage and the properties used in  
4 the commission thereof, which shall be disposed in the  
5 following manner:

6 (a) The Enforcement Group, which may be composed  
7 of any member or a combination of its member, shall  
8 immediately after seizure and confiscation of the  
9 agricultural and fishery products and properties used in  
10 the commission of the crime, conduct a physical inventory,  
11 and valuation of the seized items which shall be performed  
12 by the authorized representative of the Council, and take a  
13 video recording and/or photograph of the same;

14 (b) Within twenty-four (24) hours upon confiscation or  
15 seizure of the agricultural and fishery products and  
16 properties, the same shall be stored in a place to be  
17 designated by the Council for the purpose of preserving the  
18 evidence and determining the value of agricultural and  
19 fishery products and properties that were seized or

1 confiscated, which shall serve as the basis for determining  
2 the amount of compensation pursuant to Section 16(o) of  
3 this Act: *Provided*, That for evidentiary purposes of  
4 products which are highly perishable, a video recording or  
5 photograph with the presence of a representative of the  
6 Council shall suffice, after which the destruction of the  
7 products subject of the crime of agricultural smuggling or  
8 the disposal or donation of products subject of the crimes of  
9 hoarding, profiteering, and cartel, as provided in this  
10 section, may forthwith proceed;

11 (c) After the filing of the criminal case, the court may,  
12 within seventy-two (72) hours, conduct an ocular  
13 inspection of the confiscated, seized or surrendered  
14 agricultural and fishery products, and within twenty-four  
15 (24) hours thereafter, the destruction of the products  
16 subject of smuggling, through the Enforcement Group,  
17 which may be composed of any member or a combination of  
18 its members, shall proceed in the presence of a  
19 representative from the media, the DOJ, and the  
20 agricultural and fishery sector, and any elected public

1 official. The Council shall draw up the guidelines on the  
2 manner of proper destruction of such item/s, the expenses  
3 of destruction of which shall be borne by the offender.

4 Any government officer or employee who violates the  
5 mandatory destruction of agricultural and fishery products  
6 under this Act shall be administratively liable; and

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

11 *Provided*, That locally sourced agricultural and  
12 fishery products subject of the crimes of hoarding,  
13 profiteering, and cartel may be donated by the Council to  
14 the Department of Social Welfare and Development or  
15 LGUs or disposed of in any manner:

16 *Provided, further*, That properties used in the  
17 commission of the crimes of agricultural economic sabotage  
18 such as, but not limited to, vehicles, vessels, aircrafts,  
19 storage areas, warehouses, boxes, cases, trunks, and other



1 containers of whatever character confiscated, seized, or  
2 surrendered in favor of the government, may be auctioned  
3 off subject to existing rules and regulations. The proceeds  
4 of the auction of the properties shall be deposited in a  
5 special account created in the name of the Council to be  
6 used as additional funding in the establishment and  
7 maintenance of the DPI, the operations of the Enforcement  
8 Group, monetary rewards and other incentives to  
9 informers, and the compensation of damages arising from  
10 wrongful or illegal seizure, confiscation, destruction or  
11 disposal of agricultural and fishery products and  
12 properties, among others.

13           SEC. 20. *Institution and Prosecution of Criminal*  
14 *Proceedings.* - Any criminal action arising from the  
15 violation of this Act shall be instituted by any of the  
16 following agencies: NBI, PNP, PCG, PPA, BFAR, DA-I&E,  
17 BPI, BAI, NMIS, SRA, NTA, BOC, BIR, and PCC.

18           Criminal actions and proceedings instituted under  
19 this Act shall be brought in the name of the Government of

1 the Philippines and shall be prosecuted and handled by the  
2 DOJ with the assistance of the instituting agency:  
3 *Provided*, That nothing in this Act shall be construed or  
4 interpreted as diminishing the jurisdiction of the  
5 implementing agencies under Republic Act No. 10863,  
6 Republic Act No. 10667, and Republic Act No. 7581 to  
7 conduct inquiry on, investigate, and hear and decide cases  
8 involving any violation of the Customs Modernization and  
9 Tariff Act, Philippine Competition Act, and the Price Act,  
10 and institute the appropriate civil or criminal proceedings.

11       SEC. 21. *Citizen's Suit*. – Any person may directly file  
12 a criminal complaint with the Department of Justice-  
13 Special Team of Prosecutors and/or an administrative  
14 complaint with the appropriate government agency. The  
15 complaint shall be verified and supported with affidavits  
16 and other evidence.

17       SEC. 22. *Prescription of Offenses*. – The crimes  
18 punishable by life imprisonment under this Act shall  
19 prescribe in twenty-five (25) years. Other crimes under this

1 Act with lower number of years of imprisonment shall  
2 prescribe in accordance with Act No. 3326.

3 The period of prescription shall commence from the  
4 day on which the crime is discovered by the offended party,  
5 the authorities, or their agents, shall be interrupted by the  
6 filing of the information, and shall commence again when  
7 such proceedings terminate without the accused being  
8 convicted or acquitted, or when such proceedings are  
9 unjustifiably stopped for any reason not imputable to the  
10 accused.

11 CHAPTER VIII  
12 JURISDICTION

13 SEC. 23. *Jurisdiction.* – The provisions of existing law  
14 to the contrary notwithstanding, all violations referred to  
15 herein shall be under the exclusive jurisdiction of the  
16 Court of Tax Appeals, herein referred to as the Court.

17 CHAPTER IX  
18 FINAL PROVISIONS

1           SEC. 24. *Transitory Provision.* – All pending  
2 criminal complaints/cases filed and/or prosecuted under  
3 Republic Act No. 10845 or the “Anti-Agricultural  
4 Smuggling Act of 2016” and other laws shall continue to be  
5 legally addressed under the said laws until resolved with  
6 finality.

7           SEC. 25. *Appropriations.* – The initial amount of Five  
8 hundred million pesos (P500,000,000.00) is hereby  
9 appropriated under the Office of the President for the  
10 implementation of this Act. Thereafter, such amount  
11 necessary to carry out the provisions of this Act shall be  
12 appropriated in the annual General Appropriations Act.

13           SEC. 26. *Reportorial Requirements.* – The Council  
14 shall submit a quarterly report to the Congressional  
15 Oversight Committee on Agriculture and Fisheries  
16 Modernization (COCAFAM) on the progress and  
17 accomplishments made in the implementation of this Act.

18           SEC. 27. *Separability Clause.* – If any portion of this  
19 Act is declared unconstitutional or invalid, the portions or

1 provisions which are not affected shall continue to be in  
2 full force and effect.

3       SEC. 28. *Repealing Clause.* – Republic Act No. 10845  
4 is hereby repealed. All laws, decrees, executive issuances,  
5 rules and regulations inconsistent with this Act are hereby  
6 repealed and/or modified accordingly.

7       SEC. 29. *Effectivity.* – This Act is self-executory and  
8 shall take effect fifteen (15) days after its publication in the  
9 *Official Gazette* or in a newspaper of general circulation,  
10 without the need for the issuance of implementing rules  
11 and regulations.

Approved,