



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA 1099

June 6, 2016

CUSTOMS MEMORANDUM CIRCULAR
NO. 81-2016

TO: All Deputy Commissioners
All Directors and Division Chiefs
All District / Port Collectors
And Others Concerned

SUBJECT: Republic Act No. 10845 / Anti-Agricultural Smuggling Act of 2016

Attached is a certified copy of Republic Act No. 10845 from the Office of the President, entitled: "An Act Declaring Large-Scale Agricultural Smuggling as Economic Sabotage, Prescribing Penalties Therefor and for Other Purposes".

For your information and guidance.

Please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.


ALBERTO D. LINA
Commissioner



JUN 06 2016

S. No. 2923
H. No. 6380

Republic of the Philippines
Congress of the Philippines
Metro Manila

Sixteenth Congress

Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-seventh
day of July, two thousand fifteen.

[REPUBLIC ACT NO. 10845]

AN ACT DECLARING LARGE-SCALE AGRICULTURAL
SMUGGLING AS ECONOMIC SABOTAGE,
PRESCRIBING PENALTIES THEREFOR AND FOR
OTHER PURPOSES

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

SECTION 1. *Short Title.* – This Act shall be known as
the “Anti-Agricultural Smuggling Act of 2016”.

SEC. 2. *Declaration of Policy.* – It is the policy of the
State to promote the productivity of the agriculture sector and
to protect farmers from unscrupulous traders and importers,
who by their illegal importation of agricultural products,
especially rice, significantly affect the production, availability
of supply and stability of prices, and the food security of the
State.

The State shall impose higher sanctions for large-scale smuggling of agricultural products, as a self-preservation measure to shield itself from the manipulative scheme of economic saboteurs, and to protect the livelihood of our farmers and to ensure their economic well-being.

SEC. 3. Large-Scale Agricultural Smuggling as Economic Sabotage. – The crime of large-scale agricultural smuggling as economic sabotage, involving sugar, corn, pork, poultry, garlic, onion, carrots, fish, and cruciferous vegetables, in its raw state, or which have undergone the simple processes of preparation or preservation for the market, with a minimum amount of one million pesos (P1,000,000.00), or rice, with a minimum amount of ten million pesos (P10,000,000.00), as valued by the Bureau of Customs (BOC), is committed through any of the following acts:

(a) Importing or bringing into the Philippines without the required import permit from the regulatory agencies;

(b) Using import permits of persons, natural or juridical, other than those specifically named in the permit;

(c) Using fake, fictitious or fraudulent import permits or shipping documents;

(d) Selling, lending, leasing, assigning, consenting or allowing the use of import permits of corporations, nongovernment organizations, associations, cooperatives, or single proprietorships by other persons;

(e) Misclassification, undervaluation or misdeclaration upon the filing of import entry and revenue declaration with the BOC in order to evade the payment of rightful taxes and duties due to the government;

(f) Organizing or using dummy corporations, nongovernment organizations, associations, cooperatives, or single proprietorships for the purpose of acquiring import permits;

(g) Transporting or storing the agricultural product subject to economic sabotage regardless of quantity; or

(h) Acting as broker of the violating importer.

SEC. 4. Penalties. – (a) The penalty of life imprisonment and a fine of twice the fair value of the smuggled agricultural product and the aggregate amount of the taxes, duties and other charges avoided shall be imposed on any person who commits any of the acts enumerated under Section 3 of this Act.

(b) The penalty of imprisonment of not less than seventeen (17) years but not more than twenty (20) years, and a fine of twice the fair value of the smuggled agricultural product and the aggregate amount of the taxes, duties and other charges avoided shall be imposed on the officers of dummy corporations, nongovernment organizations, associations, cooperatives, or single proprietorships who knowingly sell, lend, lease, assign, consent or allow the unauthorized use of their import permits for purposes of smuggling.

(c) The penalty of imprisonment of not less than fourteen (14) years but not more than seventeen (17) years and a fine equal to the fair value of the smuggled agricultural product and the aggregate amount of the taxes, duties and other charges avoided shall be imposed on the following:

(1) The registered owner and its lessee or charterer, in case of lease of a chartered boat, motorized commercial vessel of more than three (3) gross tonnage, who knowingly transports the agricultural product subject to economic sabotage, regardless of quantity;

(2) The registered owner and its lessee, in case of lease of six (6) or more wheeler trucks, vans and other means of transportation, who knowingly transports the agricultural product subject to economic sabotage, regardless of quantity;

(3) The registered owner and lessee of a warehouse, or any property, who knowingly stores the smuggled agricultural product subject to economic sabotage; or

(4) The registered owner, lessee, president or chief executive officer of the private port, fish port, fish landing sites, resorts, and airports who knowingly allows the agricultural product to be smuggled into the country.

(d) The penalty of imprisonment of not less than twelve (12) years but not more than fourteen (14) years and a fine equal to the fair value of the smuggled agricultural product subject to economic sabotage and the aggregate amount of the taxes, duties and other charges avoided shall be imposed on the following:

(1) The registered owner and its lessee or charterer, in case of lease, of a chartered boat, motorized commercial vessel of three (3) gross tonnage or less, who knowingly transports the agricultural product subject to economic sabotage, regardless of quantity; or

(2) The registered owner and its lessee, in case of lease, of less than six (6) wheeler trucks, vans and other means of transportation, who knowingly transports the agricultural product subject to economic sabotage, regardless of quantity.

In all cases, the smuggled agricultural products shall be confiscated and the property used in agricultural smuggling, consistent with Section 2530 of the Tariff and Customs Code and without prejudice to Section 2531 of the same Code, shall be forfeited in favor of the government.

When the offender is a juridical person, criminal liability shall attach to its president, chief operating officer or manager who consents to or knowingly tolerates the commission of the prohibited crime.

Any person, natural or juridical, found guilty under this Act shall also suffer the penalty of perpetual absolute disqualification to engage in any business involving importation.

In applying the abovementioned penalties, if the offender is an alien and the prescribed penalty is not life imprisonment, he/she shall be deported after serving the sentence without further proceedings for deportation.

If the offender is a government official or employee, the penalty shall be the maximum as hereinabove prescribed and the offender shall suffer an additional penalty of perpetual disqualification from public office, to vote and to participate in any public election.

SEC. 5. *Presumption of Agricultural Smuggling.* – Mere possession of rice or any agricultural product under this Act, which has been the subject of smuggling, entered into the Philippines other than the BOC controlled ports or without the necessary permits shall be *prima facie* evidence of smuggling.

SEC. 6. *Implementing Rules and Regulations.* – The BOC, in consultation with concerned agencies, shall promulgate the implementing rules and regulations of this Act within thirty (30) days upon its effectivity.

SEC. 7. *Prescription of Crimes.* – The crime punishable under this Act shall prescribe in twenty (20) years.

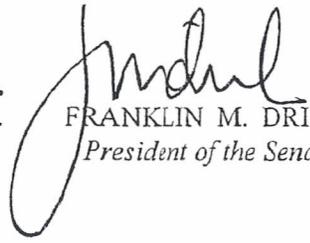
SEC. 8. *Separability Clause.* – If any portion of this Act is declared unconstitutional or invalid, the portions or provisions which are not affected shall continue to be in full force and effect.

SEC. 9. *Repealing Clause.* – All laws, decrees, executive issuances, rules and regulations inconsistent with this Act are hereby repealed and/or modified accordingly.

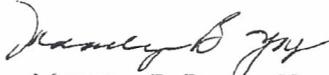
SEC. 10. *Effectivity Clause.* – This Act shall take effect after fifteen (15) days following its publication in the *Official Gazette* or in two (2) newspapers of general circulation.

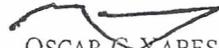
Approved,


FELICIANO BELMONTE JR.
Speaker of the House
of Representatives


FRANKLIN M. DRILON
President of the Senate

Senate Bill No. 2923, which was approved by the Senate on October 5, 2015, was adopted as an amendment to House Bill No. 6380 by the House of Representatives on February 2, 2016.


MARILYN B. BARUA-YAP
Secretary General
House of Representatives


OSCAR C. YABES
Secretary of the Senate

Approved: MAY 23 2016


BENIGNO S. AQUINO III
President of the Philippines



CERTIFIED COPY

MARIANTO M. DIMASHEAL
DIRECTOR IV
MALACANANG RECORDS OFFICE
for/b3

OFFICE OF THE COMMISSIONER
ROUTING SLIP

Department of the Philippines
DEPARTMENT OF FINANCE

Corner Pablo Ocampo, Sr. Street
Manila 1004

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| <input checked="" type="checkbox"/> Commissioner | <input type="checkbox"/> For approval |
| <input checked="" type="checkbox"/> Deputy Commissioner, AOCG | <input type="checkbox"/> For signature |
| <input type="checkbox"/> Deputy Commissioner, EG | <input type="checkbox"/> For appropriate action |
| <input type="checkbox"/> Deputy Commissioner, IAG | <input type="checkbox"/> Please attend |
| <input type="checkbox"/> Deputy Commissioner, IAG | <input type="checkbox"/> For compliance |
| <input type="checkbox"/> Deputy Commissioner, MISTG | <input type="checkbox"/> For comment/recommendation |
| <input type="checkbox"/> Deputy Commissioner, RCMG | <input type="checkbox"/> For consideration |
| <input type="checkbox"/> Director, Administration Office | <input checked="" type="checkbox"/> For dissemination/CMC |
| <input type="checkbox"/> Director, CIIS | <input type="checkbox"/> Please handle |
| <input type="checkbox"/> Director, ESS | <input checked="" type="checkbox"/> For Information |
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| <input type="checkbox"/> Director, Financial Management Office | <input type="checkbox"/> For review |
| <input type="checkbox"/> Director, Financial Service | <input type="checkbox"/> Please prepare reply |
| <input type="checkbox"/> Director, Legal Service | <input type="checkbox"/> Submit feedback |
| <input type="checkbox"/> Director, Import & Assessment Service | <input type="checkbox"/> For monitoring |
| <input type="checkbox"/> Director, Port Operations Service | <input type="checkbox"/> For File |
| <input type="checkbox"/> District Collector _____ | <input type="checkbox"/> Others _____ |
| <input type="checkbox"/> Sub-Port _____ | |
| <input type="checkbox"/> Chairman, CBW Committee | |
| <input type="checkbox"/> Head, TCC Secretariat | |
| <input type="checkbox"/> Chief, AMO | |
| <input type="checkbox"/> Head, X-ray Inspection Project | |
| <input type="checkbox"/> Others/CC/Attn: <u>CRMO</u> | |

BUREAU OF CUSTOMS
Central Records Mng't Div.

RECEIVED
JUN 06 2016

By: [Signature] Time: _____

EMTA Groups

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BUREAU OF CUSTOMS
Office of the Commissioner
Income Document No
16-16566

n, the attached 26 May 2016 letter of Director
Records Office, Office of the President,
t No. 10845, which was approved on May 23,
LARGE-SCALE AGRICULTURAL SMUGGLING
IMPOSING PENALTIES THEREFOR AND FOR

Please respond/report within 48 hours on preliminary report or action. A full report when necessary should be submitted within a week.

[Signature]
ATTY. MARICHELLE DT. DE VERA
Office of the Commissioner

[Signature]
MA. LOURDES B. RECENTE
Undersecretary and Chief of Staff

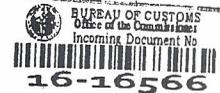
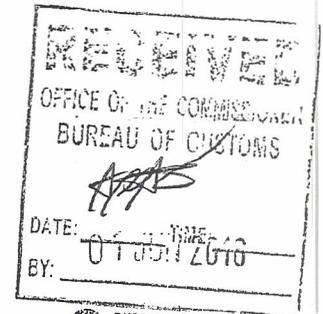


Republic of the Philippines
DEPARTMENT OF FINANCE

Roxas Boulevard Corner Pablo Ocampo, Sr. Street
Manila 1004

27 May 2016

Commissioner ALBERTO D. LINA
Bureau of Customs (BOC)
Port Area, Manila



Dear **Commissioner Lina**:

We are forwarding herewith, for information, the attached 26 May 2016 letter of Director Marianito M. Dimaandal, Malacañang Records Office, Office of the President, transmitting a certified copy of Republic Act No. 10845, which was approved on May 23, 2016 entitled: **"AN ACT DECLARING LARGE-SCALE AGRICULTURAL SMUGGLING AS ECONOMIC SABOTAGE, PRESCRIBING PENALTIES THEREFOR AND FOR OTHER PURPOSES."**

Thank you.

Very truly yours,

Ma Lourdes B. Recente
MA. LOURDES B. RECENTE
Undersecretary and Chief of Staff

Office of the President
of the Philippines
Malacañang



DEPARTMENT OF FINANCE
Republic of the Philippines



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MALACAÑANG RECORDS OFFICE

Manila, May 26, 2016

HON. CESAR V. PURISIMA
Secretary
Department of Finance
Manila

Sir:

I have the honor to transmit for your information and guidance, a certified copy of Republic Act No. 10845 which was approved on May 23, 2016 entitled **"AN ACT DECLARING LARGE-SCALE AGRICULTURAL SMUGGLING AS ECONOMIC SABOTAGE, PRESCRIBING PENALTIES THEREFOR AND FOR OTHER PURPOSES."**

Thank you.

Very truly yours,

MARIANITO M. DIMAANDAL
Director IV