



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

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REPUBLIC OF THE PHILIPPINES

DAVAO SEIZURE IDENTIFICATION

CASE No. 49A-2024 RUP: *high volume*

70/10/24 @ 1:30

VERSUS-

APPROXIMATELY **216,092 LITERS** OF UNMARKED DIESEL FUEL FOUND IN TWO (2) SHORE TANKS OF KRIS TOWN DIESEL DEPOT LOCATED AT BRGY. LAMBAJON, BAGANGA, DAVAO ORIENTAL, PURSUANT TO MISSION ORDER NO. 004-2024

F. S. RAMONDO
OCT 29 2024
1019H

CHRISTIAN DELA ZALDE

Owner of

KRIS TOWN DIESEL DEPOT

Brgy. Lambajon, Baganga

Davao Oriental

Claimant

x-----x

DECISION

of the AMENDED WARRANT OF SEIZURE AND DETENTION

This refers to the seizure of the above-described articles for violation of Section 1113 of R.A. No. 10863, otherwise known as the "Customs Modernization and Tariff Act (CMTA)";

On 08 July 2024, a Warrant of Seizure and Detention (WSD) was issued against approximately 100,000 to 135,000 liters of unmarked diesel fuel in a case docketed as DSI No. 49-2024 and the same was served on 10 July 2024.

However, in a physical inventory and inspection conducted last 15 August 2024, it appeared that the seized unmarked fuel was approximately **216,092 liters**. Thus, to reflect the true and correct quantity of the seized goods, an amended WSD docketed as DSI No. 49A-2024 was issued on 07 October 2024. The WSD reads:

"WHEREAS, on 03 July 2024, Joyce S. Semacon, Acting Sub-Port Collector of Mati, submitted a report that they received an information of an alleged fuel smuggling activities at a depot located in Lambajon, Baganga, Davao Oriental;

WHEREAS, SA-I Bienvenido L. Plata II, Team Leader for Operations, CIIS, immediately acted on such information and conducted an on-site verification of the alleged smuggling activities at the reported area and found fuel storage tanks inside a depot;

WHEREAS, on 03 July 2024, a Mission Order No. 004-2024 was issued by Maita S. Acevedo, Acting District Collector, Bureau of Customs, Port of Davao, to IA-II Nurhussin H. Sajili, SP/LT. Mangurun S. Batuampar, Jr., SA-II Bienvenido L. Plata II, AA-IV Manny E. Sangid, IA-I Sambitore B. Lucman II, COS Juhar B. Palawan, SA-I Dariz Jo S. Pascua, SAI Hosnie Mutin, SAI Orlando Jose Orlino, SA-I Raymond Salazar, SA-I Yacob Dimaampao, SAI Nizar Al-Faizar Gampong, SA-I Georich Llamera, SA-I Jason Obenza, SA-I Settle Khayria Macawadib, SA-I Sadam Marbia, SAI Billy Joel Villagonzalo, SA-I Rafsanjanni Basman, CQM Timothy Jasper B. Nicolas, MEI Justine John O. Rose and CSM Ralph Ashley F. Marasigan to conduct Fuel Field Testing on shore tanks, barges, vessels, tank trucks and delivery retail and fuel stations at import terminals, depots, tank trucks, barges/vessels and retail/fuel stations at Lambajon, Baganga, Davao Oriental;



WHEREAS, the SGS Field Technician conducted the sampling of fuel products using the Mobile Fuel Analyzer which resulted to the following, to wit;

PRODUCT TYPE	RESULT	ASSOCIATED ID	SAMPLE ID
DIESEL (SHORE TANK 1-TOP)	Test 1 and 2: Failed	FML24-00165.001	00ANT
DIESEL (SHORE TANK 1-BOTTOM)	Test 1 and 2: Failed	FML24-00165.002	00ANV
DIESEL (SHORE TANK 2-TOP)	Test 1 and 2: Failed	FML24-00165.003	00ANW
DIESEL (SHORE TANK 2-BOTTOM)	Test 1 and 2: Failed	FML24-00165.004	00ANX
DIESEL (SHORE TANK 1-TOP)	RESAMPLE -Test 1 and 2: Failed	FML24-00165.005	00ANY
DIESEL (SHORE TANK 1-BOTTOM)	RESAMPLE – Test 1 and 2: Failed	FML24-00165.006	00ANZ
DIESEL (SHORE TANK 2-TOP)	RESAMPLE – Test 1 and 2: Failed	FML24-00165.007	00AP0
DIESEL (SHORE TANK 2-BOTTOM)	RESAMPLE – Test 1 and 2: Failed	FML24-00165.008	00AP1

WHEREAS, on 07 July 2024, IO-II Felix A. Espino III, Officer-in-Charge, ESS District Commander and SP/LT. Mangurun C. Batuampar, Jr., Fuel Marking Davao Team Leader, submitted a report relative to the implementation of the Mission Order and recommended for the issuance of a Warrant of Seizure and Detention;

WHEREAS, on 08 July 2024, a Warrant of Seizure and Detention was issued against an approximately 100,000 to 135,000 liters of unmarked diesel fuel;

WHEREAS, on 05 September 2024, in a Disposition Form dated 15 August 2024, Pangandaman C. Casan, Chief, Assessment Division, IO-II Felix A. Espino III, Chief, CIIS, and SP/LT. Mangurun C. Batuampar, Jr., District Commander, ESS, submitted an Inventory Report on the physical examination and inventory conducted by Gil D. Generalao, Jr., Customs Examiner, which resulted to the determination of an unmarked 216,092 liters of diesel fuel;

WHEREAS, this Office finds probable cause for the issuance of an amended Warrant of Seizure and Detention against the approximately 216,092 LITERS of UNMARKED diesel fuel, in violation of the following laws, rules and regulations, to wit;

“Section 7 of DOF-BOC-BIR Joint Circular 001-2021, “Treatment of Unmarked Fuel, Diluted Marked Fuel or Containing Counterfeit Fuel Marker Petroleum products found without the Official Fuel Marker or does not contain the required level of Official Fuel Marker, shall be subject to duties and taxes, inclusive of the appropriate fines and penalties, without prejudice to the confiscation and forfeiture of such Unmarked or Diluted Fuel and the filing of the appropriated criminal charges” in relation to Section 13 of Customs Memorandum Order (CMO) No. 43-2019, “Treatment of Unmarked Fuel, Diluted Marked Fuel or Containing Fraudulent Marker”

WHEREFORE, by virtue of the authority vested by law in this Office, you are hereby ordered to forthwith SEIZE the aforementioned articles and take into physical possession and, custody thereof. Compliance with Customs Administrative Order No.10-2020, particularly, in the manner of making a return of service is likewise prescribed.

SO ORDERED.”

CAO 10-2020 is explicit on this, thus:

9.4 – “If within fifteen (15) calendar days after service of warrant and due notice, no owner or agent can be found or appears before the District Collector, the seized goods shall be forfeited ipso facto in favor of the government to be disposed in accordance with the CMTA.

In view thereof, there is no alternative for this Office but to order the forfeiture of the subject articles in favor of the government.



WHEREFORE, by virtue of the power vested in this Office by law, it is hereby ORDERED and DECREED that the above-mentioned articles, subject matter of this instant case be FORFEITED in favor of the government and the same be disposed of in the manner prescribed by law.

The Auction and Cargo Disposal Division and the District Commander, ESS-CPD, shall jointly secure and safe keep the seized articles, particularly **approximately 216,092 LITERS of UNMARKED diesel fuel** and take appropriate action for the disposition of the said articles in accordance with existing rules and regulations pursuant to Section 7 of CAO 10-2020.

Let copy of this Decision be furnished the parties concerned for their information and guidance.

SO ORDERED.

Port of Davao, Sasa, Davao City, 28 October 2024.



MAITA S. ACEVEDO
District Collector, Port of Davao

Cc: The Commissioner, BOC, Manila
Legal Service - HCMG
ESS-CPD
CIIS Davao
XIP Davao
Assessment Division
Cargo Control Division
ACDD
COA- Resident Auditor

