

Republic of the Philippines
HOUSE OF REPRESENTATIVES

Quezon City, Metro Manila

TWENTIETH CONGRESS

First Regular Session

House Bill No. **2769**



Introduced by Representative

BRIAN POE, PhD, MNSA

**AN ACT STRENGTHENING MEASURES AGAINST SMUGGLING AND HOARDING
OF AGRICULTURAL PRODUCTS, AMENDING REPUBLIC ACT NO. 10845,
OTHERWISE KNOWN AS THE "ANTI-AGRICULTURAL SMUGGLING ACT OF
2016," AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Republic Act No. 10845, or the “Anti-Agricultural Smuggling Act of 2016,” was enacted to protect Filipino farmers and ensure food security by penalizing large-scale agricultural smuggling as a form of economic sabotage. However, recent developments in the country’s agricultural sector reveal that the law, while groundbreaking, is no longer sufficient to address the growing sophistication and brazenness of smuggling and hoarding activities, which continue to undermine the welfare of Filipino farmers, inflate food prices, and threaten national food security.


Smuggling syndicates and unscrupulous traders have adapted to existing enforcement gaps, often engaging in hoarding and artificial market manipulation to create scarcity, destabilize supply chains, and profit from inflated prices. The absence of express provisions in the current law addressing hoarding, economic market disruption, and multi-agency enforcement has weakened the government’s response.

This proposed measure seeks to strengthen and expand the scope of Republic Act No. 10845 by:

- Including hoarding of agricultural products as a punishable act of economic sabotage;
- Declaring such offenses as heinous crimes, rendering them non-bailable;
- Creating a Specialized Anti-Agricultural Smuggling and Hoarding Task Force with clear authority to investigate, audit, and coordinate enforcement actions;
- Imposing stricter penalties on both private individuals and public officials involved in such offenses;
- Requiring mandatory registration and reporting from warehouses and cold storage operators;
- Introducing a whistleblower incentive program to encourage reporting of criminal activities.

This amendment is in line with the State's constitutional mandate to promote social justice in all phases of national development, ensure food security, and protect the rights and welfare of Filipino farmers and consumers.

In view of the urgent need to combat agricultural economic sabotage in all its forms and to ensure affordable and stable food supply for all Filipinos, the immediate passage of this bill is earnestly sought.



HON. BRIAN POE, PhD, MNSA
Representative
FPJ Panday Bayanihan Party-List

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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 “Revised Anti-Agricultural Smuggling and Hoarding Act”

SEC. 2. Declaration of Policy. – It is the policy of the State to:

- (a) Ensure food security and the welfare of Filipino farmers and consumers by combating the large-scale smuggling and hoarding of agricultural products;
- (b) Protect the national economy from the destabilizing effects of agricultural economic sabotage;
- (c) Strengthen inter-agency coordination, intelligence gathering, enforcement, and prosecution of agricultural crimes.

SEC 3. Definition of Terms. – For purposes of this Act:

- (a) Large-Scale Agricultural Smuggling or Hoarding refers to the unlawful importation, concealment, stockpiling, or manipulation of supply of agricultural products with an aggregate value of One Million Pesos (₱1,000,000.00) or more.
- (b) Hoarding refers to the undue accumulation, hiding, or deliberate withholding of agricultural products from the market to create artificial scarcity, distort market prices, or manipulate supply.

SEC 4. Economic Sabotage Classification. - Large-scale agricultural smuggling and hoarding are hereby declared acts of economic sabotage, and shall be punishable as heinous crimes under Philippine law.

SEC 5. Penalties.

a) Any person found guilty of large-scale agricultural smuggling or hoarding shall suffer:

- 1. Life Imprisonment;
- 2. A fine twice the value of the smuggled or hoarded products, or Five Million Pesos (₱5,000,000.00), whichever is higher;
- 3. Forfeiture of assets related to the offense.

b) Public officials or employees involved in the commission of these offenses shall, in addition to the above penalties, be subject to:

- 1. Perpetual disqualification from public office;
- 2. Forfeiture of retirement and other government benefits;
- 3. Liability under anti-graft and plunder laws, if applicable.

c) These offenses shall be non-bailable.

SEC 6. Creation of the Anti-Agricultural Smuggling and Hoarding Task Force.

a) A Specialized Task Force on Anti-Agricultural Smuggling and Hoarding is hereby established under the joint leadership of the Department of Agriculture (DA), Department of Justice (DOJ), Bureau of Customs (BOC), and Philippine Competition Commission (PCC).

b) The Task Force shall have the following powers:

1. Conduct financial audits of individuals, companies, and cooperatives suspected of smuggling or hoarding;
2. Issue subpoenas duces tecum and ad testificandum;
3. Summon witnesses and compel attendance at hearings;
4. Coordinate with the Anti-Money Laundering Council (AMLC) for suspicious transactions and freeze assets subject to judicial oversight;
5. Order the freezing and seizure of assets pending investigation and trial.

SEC 7. Mandatory Reporting and Inspections for Warehouses and Cold Storage Facilities.

a) All warehouses and cold storage operators engaged in the storage of agricultural products shall:

1. Register with the DA and BOC;
2. Submit monthly inventory reports detailing stored agricultural products;
3. Allow surprise inspections by the Task Force or authorized representatives.

b) Non-compliance shall result in the following penalties:

1. A fine ranging from One Million Pesos (₱1,000,000.00) to Five Million Pesos (₱5,000,000.00) per violation;
2. Suspension or revocation of business permits;
3. Criminal liability if found complicit in hoarding.

SEC 8. Price Monitoring and Market Surveillance.

a) The Task Force shall implement regular price monitoring of staple agricultural products to detect artificial shortages and market manipulation.

b) The Task Force shall submit quarterly reports to the President and Congress on price trends, enforcement actions, and policy recommendations.

SEC 9. Whistleblower Incentives. – Any person who provides credible information leading to the arrest and conviction of individuals or entities engaged in large-scale agricultural smuggling or hoarding may be entitled to a reward of up to Twenty Million Pesos (₱20,000,000.00), subject to guidelines issued by the Task Force.

SEC 10. Implementing Rules and Regulations. – Within sixty (60) days from the effectivity of this Act, the Task Force, in coordination with relevant agencies, shall promulgate the necessary rules and regulations for its effective implementation.

SEC 11. Appropriations. – The funds necessary for the implementation of this Act shall be sourced from the current appropriations of the DA, DOJ, BOC, and PCC. Thereafter, such sums as may be necessary shall be included in the annual General Appropriations Act (GAA).


SEC 12. Repealing Clause. – All laws, decrees, executive orders, rules, and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SEC 13. Separability Clause. – If any provision of this Act is declared unconstitutional or invalid, the remaining provisions shall remain in full force and effect.

SEC. 14. Amending Clause. – All references to sections, definitions, and provisions of Republic Act No. 10845 inconsistent with this Act are hereby amended accordingly.

SEC 15. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,


HON. BRIAN POE, PhD, MNSA
Representative
FPJ Panday Bayanihan Party-List