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Report Name: Philippines Enacted New Anti-Agricultural Economic

Sabotage Law

Country: Philippines

Post: Manila

Report Category: Agricultural Situation, Agriculture in the News, Administrative

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Report Highlights:

President Ferdinand R. Marcos Jr. signed into law Republic Act (RA) No. 12022 or the Anti-Agricultural Economic Sabotage Act, which classifies agricultural smuggling, hoarding, profiteering, and engaging in a cartel as economic sabotage. This law also mandates the establishment of a Daily Price Index as a reference in determining whether economic sabotage is committed and the creation of implementing bodies (i.e., Anti-Agricultural Economic Council and the Anti-Agricultural Economic Sabotage Enforcement Group). RA No. 12022 repeals the Anti-Agricultural Smuggling Act of 2016.

On September 26, 2024, President Ferdinand R. Marcos Jr. signed into law Republic Act (RA) No. 12022, or the Anti-Agricultural Economic Sabotage Act, to protect farmers and fisherfolk from unscrupulous traders and importers and ensure reasonable and affordable prices of agricultural and fishery (A&F) products for consumers. In this context, RA No. 12022 classifies agricultural smuggling, hoarding, profiteering, and engaging in a cartel as economic sabotage, with a penalty of life imprisonment and a fine five times the value of the A&F products involved.

RA No. 12022 repeals <u>RA No. 10845</u> or the Anti-Agricultural Smuggling Act of 2016. Under the new law, there are more A&F products covered, namely, rice, corn, beef and other ruminants, pork, poultry, garlic, onion, carrots, other vegetables, fruits, fish, salt, and other aquatic products in their raw state or which have undergone the simple process of preparation or preservation for the market within the primary and post-harvest stages of the food supply chain, palm oil, palm olein, raw and refined sugar, and tobacco. RA No. 10845 was limited to sugar, corn, pork, poultry, garlic, onion, carrots, fish, and cruciferous vegetables.

Additionally, the following are among the salient provisions of RA No. 12022:

- a. **Establishment and maintenance of a Daily Price Index (DPI)**, which is a system to monitor and publish or broadcast the prevailing retail prices of A&F products in all the regions of the country daily. The DPI serves as a reference in determining whether economic sabotage is committed [e.g., when the value of smuggled A&F product is at least PhP10 million pesos (about U.S. \$177,500 based on Bangko Sentral ng Pilipinas data as of October 7, 2024) and/or the price of the product is at least 10 percent more than the DPI during an abnormal situation, emergency, or state of calamity]. The Department of Agriculture, particularly the Agribusiness and Marketing Assistance Service and Bureau of Agricultural Research, is directed to develop the index within 90 days from the effectivity of the law.
- b. Creation of the Anti-Agricultural Economic Council, which shall be chaired by the President, to ensure the proper and effective implementation of the provisions of this law. The Council's functions include: (i) establishing mechanism of information-sharing among concerned agencies; (ii) establishing a comprehensive tracking and tracing system to oversee the value chain of agricultural commodities, and collect and report real-time data; (iii) facilitating international cooperation on intelligence investigation, training and capacity building related to agricultural smuggling prevention, suppression, and prosecution; and (iv) holding in custody and disposing confiscated, seized and/or surrendered A&F products subject of and properties used in committing economic sabotage, among others.

The President shall also appoint representatives from sugar, rice, corn, livestock and poultry, vegetables and fruits, fisheries, and tobacco sectors to form part of the Council's Advisory Body.

c. Creation of the Anti-Agricultural Economic Sabotage Enforcement Group to assist the Council in performing its functions. Notably, the Enforcement Group shall be authorized to visit and inspect, at any time, the areas or properties where the A&F products are stored, kept, or sold, as well as to effect search, seizure, and arrest warrants and file criminal and administrative cases before the prosecutor and appropriate agencies.

d. **Inclusion of other prohibited acts** namely, financing agricultural economic sabotage, renting out or allowing non-members of cooperatives and associations (e.g., traders and private businesses) to use government storage facilities, and crimes committed by a member of the Enforcement Group.

This new law was one of the <u>priority legislative measures</u> of the Legislative-Executive Development Advisory Council for passage before the end of the 19th Congress in June 2025.

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No Attachments.