

## **PENALIZING THE ILLEGAL TRADING AND THE ILLEGAL EXPORTATION OF PHILIPPINE SUGAR.**

*PRESIDENTIAL DECREE NO. 659, February 21, 1975*

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WHEREAS, the current worldwide shortage of sugar has brought about an increased speculative interest in that essential commodity and has induced rampant illegal trading and illegal exportation of Philippine sugar;

WHEREAS, it is imperative, in order to stabilize the prices of Philippine sugar exported abroad, and to safeguard our supply of sugar for domestic consumption, that the Government should put an immediate stop to this illegal trading and exportation of Philippine sugar;

WHEREAS, there is no law at present specifically penalizing the illegal trading and the illegal exportation of Philippine sugar and it is essential and in the public interest that adequate deterrents and/or penalties be provided therefor;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order:

SECTION 1. Coverage of the Decree.—This Decree shall apply to sugar in any form produced within the territorial jurisdiction of the Republic of the Philippines.

SEC. 2. Acts Punishable.—The following acts shall constitute illegal trading in or illegal exportation of Philippine sugar, as the case may be:

- The sale, transfer, or assignment of sugar by any planter, producer, miller, central or refinery or any other person or entity engaged in the production of sugar in the Philippines to any person or entity other than the Philippine Exchange, Inc. and/or the Philippine National Bank. In this case, each of the parties to the transaction shall be liable and subject to the penalties herein provided.
- Loading or unloading sugar on board any vessel or aircraft at points other than ports of entry or sub-ports of entry designated in or pursuant to the Tariff and Customs Code of the Philippines.
- Loading sugar on board any vessel or aircraft for shipment to any point outside the jurisdiction of the Republic of the Philippines without an authority to load from the Bureau of Customs, after securing the corresponding export permits there for from the Sugar Quota Administration and the Central Bank of the Philippines.
- Loading sugar on board any vessel or aircraft for shipment to any point within the jurisdiction of the Republic of the Philippines without first furnishing the customs authorities at the port of departure a Notification duly executed under oath and containing the names and addresses of the shippers and the name, if any, type and registry number of the vessel or aircraft, the exact quantity of sugar to be shipped, and the port of destination: Provided, that it shall be the ministerial duty of the customs authorities to stamp and acknowledge receipt of such Notification, if duly accomplished, upon presentation of the same; Provided, that: a copy of such Notification, duly stamped as received by the customs authorities shall be kept and produced by the shipper or carrier of such sugar upon inspection by proper authorities in the course of shipment; and upon arrival at the port of destination,

such copy of the Notification must have to be presented to the customs authorities thereat for inspection of the shipment: Provided, further, that: Loading sugar in excess by more than two hundred fifty kilos over the quantity stated in the Notification shall, to the extent of such excess, likewise be punishable under this paragraph.

Failure of the sugar shipment to arrive at the port of destination within a reasonable time shall be considered prima facie evidence of the illegal trading or illegal exportation of such sugar. A disparity of more than two hundred fifty kilos between the quantity of sugar stated in the Notification and the actual quantity of sugar reaching the port of destination shall likewise be prima facie evidence of the illegal trading in or the illegal exportation of sugar to the extent of such disparity in quantity.

In the cases of the offenses described in paragraphs (b), (c), and (d) above, both the shipper of the sugar if he loads more than two hundred fifty kilos and the captain or patron or pilot of the vessel or aircraft on which more than two hundred fifty kilos of sugar is loaded shall be liable and be subject to the penalties herein provided.

If the offense is committed by a juridical person or entity, the officers thereof who knowingly participated in the acts herein described shall be liable and be subject to the penalties herein provided. If the offender is an alien, he shall be deported after serving his sentence, without further proceedings.

SEC. 3. Penalties.—Persons found guilty of violating the provisions of this Decree shall be punished as follows:

- Imprisonment of not less than six months nor more than two years if the quantity of sugar involved is more than two hundred fifty kilos but not more than ten thousand kilos.
- Imprisonment of not less than two years nor more than five years if the sugar involved is more than ten thousand kilos but not more than fifty thousand kilos.
- Imprisonment of not less than five years nor more than ten years if the sugar involved is more than fifty thousand kilos.

SEC. 4. Exceptions.—The loading of sugar on a vessel or aircraft in an amount not exceeding two hundred fifty kilos for any one vessel or aircraft without any of the permits, notifications or other requirements mentioned in paragraphs (b), (c), and (d) of Section 2 hereof, shall not constitute an offense and shall not be punishable hereunder. Likewise, the trading of sugar in violation of Sec. 2(a) of this Decree, if done by small planters and/or millers producing less than one thousand kilos of sugar per month, and provided the total quantity traded by them each month does not exceed their actual production for that month, shall not be punishable under this Decree. In case of islands wherein there are no customs' authorities or which are not sub-ports of entry, loading or unloading sugar thereon in excess of two hundred fifty kilos may be allowed, but with proper Notification, as provided in Sec. 2(d) of this Decree, submitted to the Commander of the Philippine Constabulary in said area or his duly authorized representative thereat.

SEC. 5. Confiscation of Sugar, Vessel or Aircraft.—The sugar traded or loaded in violation of this Decree shall be confiscated and surrendered to the nearest PNB or Philippine Exchange, Inc. office for reallocation, without prejudice to the rights of the parties involved, who shall be entitled to the return of sugar of the same kind and quantity, should they be found later on by the proper authorities to be innocent of the offenses herein defined. The vessel or aircraft used in violation of the provisions hereof shall, after final judgment by the court, be confiscated in favor of the Government, thereafter to be disposed of in accordance with the provisions of the Tariff and Customs Code.

SEC. 6. All laws, executive orders, instructions, rules and regulations inconsistent with these provisions are hereby repealed or amended accordingly.

SEC. 7. This Decree shall take effect immediately.

Done in the City of Manila, this 21st day of February, in the year of Our Lord, nineteen hundred and seventy-five.

(Sgd.)

**FERDINAND E. MARCOS**

President

Republic of the Philippines

By the President:

(Sgd.)

**ALEJANDRO MELCHOR**

Executive Secretary

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