



Republic of the Philippines
OFFICE OF THE SECRETARY
Elliptical Road, Diliman
1100 Quezon City

26 April 2022

MEMORANDUM ORDER

No. 31

Series of 2022

TO : DIRECTOR GEORGE Y. CULASTE, BPI
DIRECTOR REILDRIN G. MORALES, BAI
DIRECTOR EDUARDO B. GONGONA, BFAR

FROM : OFFICER-IN-CHARGE, DEPARTMENT OF AGRICULTURE

SUBJECT: ISSUES ON AGRICULTURAL SMUGGLING AND MEASURES TO CURB THE SAME

As a result of the recent hearings conducted separately by the Senate and House of Representatives on agricultural product smuggling, lapses in the Department's process of issuance of Sanitary and Phytosanitary Import Clearance (SPSIC) and in the inspection of arriving imported agricultural products were noted. These are:

- 1) Lack of monitoring on the utilization of SPSICs issued. SPSICs issued not being utilized or the volume applied being underutilized;
- 2) Concerned agencies not monitoring the utilization of imported agricultural products as intended;
- 3) Allegations of corruption from importers during inspections and when imported agricultural products are put on hold; Allegations of extortion and bribery;
- 4) BOC's observation that DA (BPI, BAI, BFAR) staff not always (24/7) present in the X-ray area as agreed with them; and
- 5) Improper application of rules and procedure and hierarchy of authority in the apprehension, investigation, appeal process, and approval of decisions among inspecting officials, supervisors, regulatory unit heads, and bureau heads.

As such, the above bureaus are instructed to implement measures within their respective mandate to address the above issues. These measures should include the following:

- 1) Requiring importers who are unable to utilize their SPSICs to surrender their unused SPSICs upon expiration. This can be a requirement when processing new SPSIC applications of importers.
- 2) Requiring importers to report the actual volume utilized for each SPSIC issued to them. This can also be a requirement in processing new SPSIC applications of importers.
- 3) Requiring importers of agricultural products to report utilization of products to prevent diversion to unintended uses.

A food-secure and resilient Philippines

with empowered and prosperous farmers and fisherfolk



- 4) Inclusion as a condition in the issuance of SPSICs, the importer's consent to unannounced visits to their storage facilities to ensure compliance with food safety and health requirements.
- 5) Requiring all concerned staff to transact business with importers and brokers inside office premises, in full view and within the hearing distance of other staff. Immediate relief and reassignment of staff proven to have met with importers or brokers outside of office premises as indicated in a verified complaint.
- 6) Assigning BAI, BPI, and BFAR staff or arrangement of such assignment to the BOC's X-ray area 24/7.
- 7) Conduct of regular orientation and briefing and assessment of the performance of all staff involved in the quarantine and regulatory offices.
- 8) Coming up with a unified guideline on inspection, apprehension, investigation, appeal process, and approval of decisions.
- 9) Adoption of automation in inspection, reporting, and monitoring processes in the concerned bureaus.

You are further directed to prepare a report on the above for discussion with the Secretary during the DA ManCom meeting in Davao City on May 3, 2022.

For compliance.



LEOCADIO S. SEBASTIAN, Ph.D., CESO I

DEPARTMENT OF AGRICULTURE

in replying pls cite this code :
For Signature: **S-04-22-0586**
Received : 04/26/2022 02:29 PM

A food-secure and resilient Philippines

with empowered and prosperous farmers and fisherfolk

