

**Office of the President  
of the Philippines  
Malacañang**

MFN 6864

**BY THE PRESIDENT OF THE PHILIPPINES**

**EXECUTIVE ORDER NO. 45**

**CREATING A PRESIDENTIAL ANTI-SMUGGLING TASK FORCE TO INVESTIGATE AND PROSECUTE CRIMES INVOLVING LARGE-SCALE SMUGGLING AND OTHER FRAUDS UPON CUSTOMS AND PROVIDING MEASURES TO EXPEDITE SEIZURE PROCEEDINGS**

**WHEREAS**, large-scale smuggling and frauds upon customs and other related illegal practices undermine the national interest and security;

**WHEREAS**, the prevention and suppression of smuggling and other related fraudulent practices against customs laws is one of the urgent concerns of the administration;

**WHEREAS**, the creation of a presidential body particularly tasked to investigate and prosecute large-scale smuggling and other illegal or unlawful importations is necessary to effectively counteract this form of economic sabotage and strengthen our system of enforcement of revenue laws;

**WHEREAS**, the Administrative Code of 1987 empowers the President with the continuing authority to reorganized the Office of the President and to transfer functions from one department or agency to another;

**NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA**, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

**SECTION 1. CREATION OF TASK FORCE.** - There is hereby created a Presidential Anti-Smuggling Task Force, hereinafter called the "Task Force," under the control and supervision of the Office of the President principally to combat smuggling, unlawful importations and other frauds upon customs committed in large scale or by organized and syndicated groups.

**SEC. 2. COMPOSITION.** - The Task Force shall be composed of senior officials from the following agencies: The Office of the President, the Department of Finance, the Department of Justice, the Bureau of Customs, the Bureau of Internal Revenue, the Economic Intelligence and Investigation Bureau, the National Bureau of Investigation, the Philippine National Police and the Intelligence Service of the Armed Forces of the Philippines.



The Task Force shall be headed by a qualified senior law enforcement officer to be designated by the President. He shall be assisted by a deputy who shall likewise be designated by the President.

**SEC. 3. POWERS AND FUNCTIONS.** - The Task Force shall have the following powers and functions:

- To prepare and implement appropriate and effective measures to prevent and suppress large-scale smuggling and other prohibited and unlawful importations;
2. To effect searches and seizures conformably with the provisions of the Tariff and Customs Code, as amended, and to cause or direct the immediate arrest, investigation and speedy prosecution of smugglers and illegal importers;
  3. To conduct intelligence and counter-intelligence on smuggling and other unlawful importations, including the monitoring of situations, circumstances, activities of individuals, groups and entities who are involved or who are reasonably believed to be involved in smuggling activities;
  4. To select and recruit personnel from within the PNP and other law enforcement agencies for assignment to the Task Force with the conformity of the office or agency concerned;
  5. To enlist the assistance of any department, bureau, office or agency or instrumentality of the government, including government-owned or controlled corporations to carry out its functions, including the use of their respective personnel, facilities and resources;
  6. To perform such functions and carry out such activities as may be directed by the President.

**SEC. 4. OFFENSES COVERED.** - The Task Force shall have the authority to take cognizance of the following crimes:

- a) Smuggling and customs frauds committed by organized or syndicated groups or criminal enterprises.
- b) Smuggling and other false and fraudulent importations or violations of customs laws committed in large scale.
- c) Such other cases of violations of the Tariff and Customs Code, as amended, as the President may determine from time to time.



Smuggling and other customs frauds and violations of customs laws shall be deemed committed by a syndicate if carried out by a group of three (3) or more persons conspiring or confederating with or mutually helping one another in carrying out the criminal acts. They shall be deemed committed in large scale if committed in connivance with officials and employees of the Bureau of Customs or where the determinable value of importations exceeds P1Million.

**SEC. 5. ORGANIZATIONAL SUPPORT.** - The Task Force shall organize technical, administrative and special staffs composed of personnel assigned or detailed to the Task Force by the different agencies called to assist the Task Force. The head of the Task Force shall delineate the respective responsibilities of the supporting staffs.

**SEC. 6. SPECIAL TEAM OF PROSECUTORS.** - To assist the Task Force in the expeditious prosecution of criminal and other cases involving syndicated and large scale smuggling and customs frauds, a Special Team of Prosecutors from the Department of Justice shall be assigned to the Task Force. The team shall have the following powers and duties:

1. To evaluate evidence gathered by the Task Force and to determine whether or not violations of the Tariff Code or Customs Code, as amended, and other related laws and regulations have been committed;
2. To initiate and conduct preliminary investigations and to file and prosecute the appropriate administrative and criminal charges against person(s) responsible for the violation of customs law;
3. To recommend the issuance of warrant of seizure and detention in appropriate cases.

The Special Team of Prosecutors may be assisted by lawyers selected and recruited by the Task Force from the National Bureau of Investigation, the Bureau of Customs and the Economic Intelligence and Investigation Bureau.

**SEC. 7. SPECIAL POOL OF HEARING OFFICERS.** - A Special Pool of Hearing Officers in the Bureau of Customs under the Deputy Commissioner for Revenue Collection and Monitoring Group is hereby created to specifically attend to or hear seizure cases arising from unlawful importations and violations of customs laws being investigated by the Task Force.

In addition to the powers granted under the Tariff and Customs Code, as amended and under customs rules and regulations issued pursuant thereto, the Hearing Officers shall have the authority to summon witnesses, administer oaths, or take testimony or evidence relevant to the investigation by *subpoena ad testificandum* and *subpoena duces*



*tecum*, to rule on motions and issues presented during the proceedings and to do such other acts necessary and incidental to the discharge of their functions.

The Special Pool of Hearing Officers shall be composed of at least six (6) members to be selected from the various legal units of the Bureau of Customs.

**SEC. 8. SUMMARY PROCEEDINGS.** – The seizure proceedings shall be terminated within a period of thirty (30) days from the date of commencement of hearing. Subject to the essential requirement of due process, the technicalities of law and procedure and the rules governing the admissibility and sufficiency of evidence obtaining in courts of law shall not strictly apply.

The decision on seizure proceedings shall be rendered by the Collector of Customs within five (5) days from termination of the formal hearing.

Non-compliance with the mandatory period for termination of the proceedings and rendition of decision shall subject the responsible officials to suspension or dismissal from the service as the circumstances shall warrant.

**SEC. 9. AUTHORIZATIONS.** - The Commissioner of Customs shall, if necessary, issue such authorizations and orders required under the Tariff and Customs Code, as amended, for all purposes relevant to the exercise and performance of the powers and functions of the Task Force.

**SEC. 10. FUNDING.** - Subject to the usual audit, the Task Force shall be provided with an initial annual allocation of TWENTY MILLION PESOS to be drawn from the President's Contingency Fund and from the government's savings. Thereafter, appropriations for the succeeding years shall be incorporated in the budget proposal of the Office of the President.

**SEC. 11. OPERATING GUIDELINES.** - The Task Force shall adopt, in coordination with customs law enforcement agencies, such operating guidelines as may be necessary to implement this Executive Order, subject to the approval of the President. It shall submit to the President reports of its activities with appropriate recommendations for the information and guidance of the President.

**SEC. 12. COORDINATING INSTRUCTIONS.** – The objective of this issuance is to focus and maximize the impact on organized and large-scale smuggling and related crimes to be addressed by the Task Force operating directly under the Office of the President, while the Philippine National Police shall continue to be the primary general law enforcement agency of the country pursuant to Republic Act No. 6875, as amended. Accordingly, close coordination and cooperation shall be undertaken by the head of the Task Force, the Chief of the PNP and other heads of customs law enforcement agencies, to insure effective and efficient prosecution of the anti-smuggling campaign.



**SEC. 13. REPEALING CLAUSE.** - All orders, issuances, rules and regulations, or parts thereof which are inconsistent with this Executive Order are hereby repealed or modified accordingly.

**SEC. 14. EFFECTIVITY.** This Executive Order shall take effect immediately.

**DONE** in the City of Manila, this *3<sup>rd</sup>* day of *DECEMBER* in the year of Our Lord, Nineteen Hundred and Ninety-Eight.



By the President:



**RONALDO B. ZAMORA**  
Executive Secretary



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Date 

