

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 196

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

**WHEREAS**, large scale smuggling and frauds upon customs and other related illegal practices continue to 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, an essential requirement for the success of the government's economic reforms;

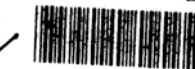
**WHEREAS**, the creation of a presidential body directly mandated and empowered to investigate and prosecute large-scale smuggling and other illegal or unlawful importations is necessary to effectively counteract this form of economic sabotage and strengthen our system of enforcement of revenue laws;

**WHEREAS**, the Administrative Code of 1987 empowers the President with the continuing authority to reorganize 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 Aduana," 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 elements from the Presidential Security Group (PSG) and intelligence Service, Armed Forces of the Philippines (ISAFP). If necessary, the Task Force shall be augmented by other elements of the Philippine Army, Philippine Air Force, Philippine Navy and the National Intelligence Coordinating Agency (NICA).



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The Task Force shall be headed by a senior AFP General Officer, to be designated by the President. A deputy who shall likewise be designated by the President shall assist him.

**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, seizures and arrests, and for the Task Force Commander to file administrative and criminal cases conformably with the provisions of the Tariff and Customs Code of the Philippines, as amended, pertinent provisions of the Revised Penal Code, as amended and the Rules of Criminal Procedure;
3. To conduct intelligence and counter-intelligence on smuggling and other unlawful importations, including the monitoring of situations, circumstances, activities of individual, 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 PSG and ISAFP 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 conduct investigation of ill-gotten wealth of all persons including government officials involved in smuggling activities, in coordination with other government agencies.
7. To conduct verification with the Bureau of Customs of all documents pertaining to payment of duties and taxes of all imported articles.
8. To suppress and prevent all other economic frauds as may be directed by the President.
9. 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, and other related laws 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 P1 Million pesos.

**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 and 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 laws or other related laws and regulations;
3. To recommend the issuance of warrant of seizure and detention in appropriate seizure cases of suspected smuggled articles.

The Special Team of Prosecutors may be assisted by lawyers selected and recruited by the Task Force from the Department of Justice and the Bureau of Customs.

**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 and its members shall be selected by the Task Force Commander. A Special Pool of Hearing Officers shall 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 initially 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.

The mandatory period for termination of the proceedings and rendition of decision shall be strictly observed unless extension thereof is necessary to avoid miscarriage of justice.

**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 effective 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 Fifty Million Pesos (₱ 50M) 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 solely by the Presidential Anti-Smuggling Task Force "Aduana" operating

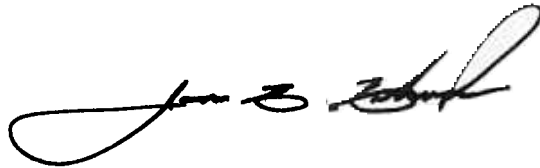


directly under the Office of the President, while the Philippine National Police shall continue to be the primary general law enforcement agency of the country pursuant to Republic Act No. 6875, as amended and shall not interfere with any anti-smuggling operations. Accordingly, close coordination and 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, and to avoid overlapping of functions.

**SEC. 13. Repealing Clause.** - Executive Order No. 150 dated September 3, 1999 is hereby repealed. All other 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 **12<sup>th</sup>**, day of January in the year of Our Lord, Two Thousand.



By the President:



**RONALDO B. ZAMORA**  
Executive Secretary

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Received

**JAN 26 2000** *AME*

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