

Joint Foreign Chambers of the Philippines

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Japanese Chamber of Commerce & Industry of the Phils., Inc. ♦ Korean Chamber of Commerce of the Phils., Inc.
Philippine Association of Multinational Companies Regional Headquarters, Inc.

October 20, 2014



**AMCHAM
PHILIPPINES**

AMERICAN



AUSTRALIAN-NEW ZEALAND



CANADIAN



EUROPEAN



JAPANESE



KOREAN



PAMURI

HON. ROMERO "MIRO" QUIMBO

Chairperson
Ways and Means Committee
House of Representatives
Quezon City

Dear Chairperson Quimbo:

We write in support of House Bill 4767, entitled "An Act Amending Presidential Decree No. 1464, otherwise known as the "Tariff and Customs Code of the Philippines", to define smuggling as an act that constitutes economic sabotage, to provide the appropriate punishment and penalties therefore, and for other purposes, which your Committee scheduled for public hearing on October 20 and 21.

This piece of legislation if enacted and implemented could become an important weapon in the long struggle of the Philippine government against the scourge of smuggling imported products.

Smuggling should certainly be included in the category of economic sabotage because of its deleterious impact on the investment climate. Investors who follow the rules and pay the correct duties and taxes for imported raw materials and finished goods face an extremely unlevel playing field. They compete with smugglers involved in bribery of government officials and related infractions that undermine the need for the Philippines to perform responsibly within the ASEAN Economic Community, with its increasing FTA partners, with the WTO, and in the future with an EU-RP Free Trade Agreement and Trans-Pacific Partnership.

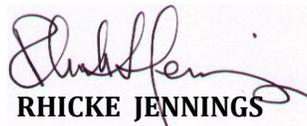
In recent decades, smuggling has done grave damage to legitimate business enterprises in such industries as automotive, manufacturing, garments, textiles, and petroleum refineries and retail distribution.

We believe that the classification of smuggling as economic sabotage and the successful prosecution of smugglers will lead to more investment by legitimate firms.

We support the language “any person” in the proposed law so long as it applies to public sector officials and private citizens engaged in large-scale smuggling. In respect to the threshold of 1M provided in the bill, we wish to note that the threshold in other similar laws is P50 million to define economic sabotage. We would recommend careful consideration whether it is best to adopt the same level in this bill.

Thank you for considering our views.

Regards,



RHICKE JENNINGS

President

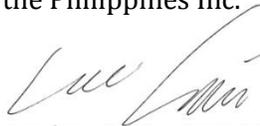
American Chamber of Commerce
of the Philippines Inc.



IAN PORTER

President

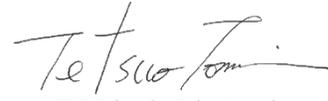
Australian-New Zealand Chamber
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MICHAEL RAEUBER

President

European Chamber of Commerce
of the Philippines, Inc.



TETSUO TOMINO

President

Japanese Chamber of Commerce
& Industry of the Philippines, Inc.



EUN GAP CHANG

President

Korean Chamber of Commerce
of the Philippines, Inc.