# Send agri crooks to jail

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Agriculture Secretary Francisco Tiu Laurel Jr. is making headway on his promise to rid the farm sector of scalawags. He reported that at least 10 private companies have been blacklisted by the Department of Agriculture (DA) in the last six months for their involvement in illegal trade or other unlawful agricultural practices—more than the number in the past six years combined. Three other companies with import licenses were also sanctioned for their involvement in anticompetitive practices such as price manipulation and collusion.

As a result, the licenses of the blacklisted firms engaged in misdeclaration and illegal importation were revoked, while those without licenses were banned from dealing with the DA. “This should serve as a clear warning to those who attempt to challenge our resolve in going after smugglers and unscrupulous traders whose illegal activities harm our farmers, fisherfolk and consumers,” Tiu Laurel said.

The punitive actions are in line with the DA’s intensified efforts to end smuggling, profiteering, hoarding, cartels, and other activities that raise food prices and destabilize the local market. The DA has been going after importers bringing in illegally sourced agricultural products even before President Marcos signed last month Republic Act No. 12002, or the Anti-Agricultural Economic Sabotage Act, as Tiu Laurel vowed during his appointment to the DA in November 2023 that his agency will go after importers engaged in illegal practices that undermine government revenues and put public health at risk.

## Not enough deterrent

However, while the DA’s blacklisting of erring companies is commendable, this is not enough deterrent for other firms scheming to profit out of the agriculture sector through devious means, including misdeclaration, illegal importation, and anticompetitive trade practices.

Blacklisting is not a proven strong deterrent to crime. Past experience showed that individuals behind blacklisted firms somehow resurface under a different company name. For example, a Quezon City-based construction company that was awarded a multimillion-peso road project in Misamis Oriental in 2019 was among the contractors blacklisted by the Department of Public Works and Highways the year before. The company, Syndtite Construction Corp., was discovered to be the former RC Tagala Construction, which had cornered billions of pesos worth of government contracts during the first 18 months of the previous Duterte administration before its blacklisting by the Department of Public Works and Highways.

## Ensure accountability

As Senate Minority Leader Aquilino “Koko” Pimentel III pointed out in reaction to the DA blacklisting, the agency must file criminal charges with urgency to ensure accountability. “Make an example of these 10 companies (so that others will not follow in their footsteps). This, however, will only be meaningful if the wheels of justice move swiftly,” Pimentel stressed.

Since Tiu Laurel vowed that the government was “prepared to take more decisive actions” against smugglers, especially with the recent enactment of the Anti-Agricultural Smuggling Act, the DA should focus on bringing charges against violators and pursuing these cases up to conviction. Under the law, smuggling, hoarding, and cartel operations involving agricultural products are classified as economic sabotage. Rice, corn, beef, and other ruminants, pork, poultry, garlic, onions, carrots, other vegetables, fruit, fish, salt, and other aquatic products are covered under the law. The smuggling and hoarding of agricultural products is also considered economic sabotage when the value of the goods involved exceeds P10 million.

## Anticompetitive behavior

And while it is true that some cases have been filed before, progress in prosecuting the violators needs to speed up. In September this year, for instance, the Philippine Competition Commission (PCC) filed charges against a dozen unscrupulous onion traders whose cartel-like activities adversely impacted consumers and the broader economy. Following instructions from Mr. Marcos, the PCC charged 12 companies and individuals for violating the Philippine Competition Act in their importation and trading of onions. The investigation revealed that these traders colluded to allocate import clearances among themselves, allowing them to control more than half of the Philippines’ onion import volume through an anticompetitive behavior punishable under the Competition Act.

Consumers need to see progress in cases such as that filed by the PCC. They need to see these charges moving speedily until the agricultural crooks are punished. Prosecuting, convicting, and sending high-profile agricultural smugglers and other violators to jail will be the most effective deterrent to protect farmers and consumers against these illegal activities. Threats such as blacklisting can do little to make them stop.

Only when they see violators put behind bars will they believe that the government is serious in going after unscrupulous traders and send a very clear message to would-be violators that they cannot escape the long arm of the law.