



Press Statement

24 May 2013

MBC SUPPORTS GOVERNMENT ANTI-SMUGGLING EFFORTS

The anti-corruption agenda of the President has proven to be the key to unleashing the Philippines' potential to attract the right kind of investors, hastening economic progress, and restoring confidence and pride amongst Filipinos.

However, rampant smuggling into the country continues to be a bane to the government and to our local manufacturers and traders. Revenue losses to the government are estimated to range from P30 billion to P150 billion per year. This is revenue that could build more roads, hospitals, and schools, and pay for teachers, books, and other social services.

Smuggling cannot be done without connivance with a government official or employee. The implication is clear—where there is smuggling, there is corruption.

The Makati Business Club applauds the recent actions of the government to stop corruption—the confiscation of smuggled rice; the raids against sellers of smuggled goods; the filing of cases against smugglers and their protectors in government; and the implementation of institutional reforms, such as BIR Revenue Regulation 2-2012, to address smuggling in the oil industry.

Unfortunately, these efforts to stop smuggling are being impeded by the Courts' issuances of TROs and injunctions, motions for reconsideration, inhibitions, postponements and extensions of time, without legal or factual basis. These subvert the Aquino government's goal to create a globally competitive and business-friendly climate in the Philippines.

We all must give our full support to the efforts being made by our President and the Department of Finance to stop smuggling. It is our serious hope that all other agencies and the Courts, which the business community looks upon as the guardians of fair commerce, join in this effort to create an environment where legitimate and honest businesses can flourish so that our country can achieve its full potential to be the next economic miracle in Asia.

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